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Table with exchange rates for various countries including Andorra, Austria, Bahrain, Belgium, Bulgaria, Canada, Czech Republic, Denmark, France, Germany, Greece, Hong Kong, India, Israel, Italy, Japan, Korea, Kuwait, Luxembourg, Malaysia, Mexico, Netherlands, New Zealand, Norway, Portugal, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Kingdom, USA, West Bank, Yugoslavia.

German Rejection Of Eurojet Sends Allies a Loud Signal

By Marc Fisher Washington Post Service BONN — Defense Minister Volker Rühle of Germany, intent on drastically scaling down his nation's military, sent a powerful message to his European allies Tuesday as he announced his government's decision to pull out of the Eurojet fighter aircraft project.

The decision, which leaves Britain, Italy and Spain fretting about the future of a project that was to replace aging fighters and create hundreds of thousands of jobs, will help Germany balance a budget painfully strained by the demands of reconstructing East Germany.

But more significant, Mr. Rühle's fervent campaign against the Eurojet despite the German defense industry's support for the jet is designed to demonstrate that Germany — more than its partners in the project — intends to undertake a wholesale restructuring of the military in a country deeply uncomfortable with the very idea of force as a national tool.

"We're the only country that has agreed to limit its forces," Mr. Rühle said in an interview on the eve of his first official visit to Washington. "We expect other European countries to do the same."



BREAD LINE — Soldiers sent to work in the fields for food lining up Tuesday near Moscow for rations as Russia announced more economic changes. They include privatizing a large portion of the state sector over the next few years and setting just one exchange rate for the ruble. Page 11.

Rabin Drops Call for Year's Settlement Freeze

By Clyde Haberman New York Times Service JERUSALEM — In an attempt to win rightist support for the government coalition it is building, the Labor Party on Tuesday dropped calls for a one-year freeze on settlement activity in the occupied territories while Middle East peace talks are under way.

Mr. Rabin said he favored continued construction around Jerusalem as well, citing as an example nearby Maale Adumim, a town of 15,000 that is the largest settlement in the occupied West Bank.

New Yorker Magazine Changes Course In Radical Shift, Tina Brown of Vanity Fair Is Taking Over

By Paul Horvitz International Herald Tribune WASHINGTON — The New Yorker, widely regarded as the most prestigious magazine of arts, culture and politics in the United States, is changing course, perhaps radically, with the appointment Tuesday of a new editor, Tina Brown of Vanity Fair.

It has built an almost legendary reputation for accuracy through rigorous fact-checking in its essays and profiles. The careful craft of much of the New Yorker's journalistic writing has been without peer over 67 years.

Trying Task for New Hong Kong Chief

By Laurence Zuckerman International Herald Tribune HONG KONG — British tabloids have had fun itemizing the yacht, two estates, \$273,000 tax-free salary and assorted other perks that await Christopher Patten when he takes up the cushy post of Hong Kong's latest, and perhaps last, governor next week.

Progress on the colony's controversial \$144 billion airport development project, a weatherware for relations between London and Beijing, has ground to a halt.

U.S. Air Cover Ready if UN Requests Aid For Sarajevo

WASHINGTON — The United States said Monday that it was prepared to put Air Force and Navy combat air cover over Sarajevo if the United Nations requested action to protect an international relief mission.

U.S. Showdown Is Shaping Up Over Abortion

WASHINGTON — The Supreme Court ruling in the Pennsylvania abortion case spurred President George Bush the political consequences that a decision overturning the right to abortion would have triggered.

The Skin Cancer Story on U.S. Beaches: Deny It, Fight It, Market It

By Laura Blumenfeld Washington Post Service REHOBOTH BEACH, Delaware — The sky is falling. Punched in the ozone. Run for cover. The sun will eat us all at noon.

The effect is not always so hot. "You can spot a fake bake a mile away," hisses Jennifer Teleha, 21, who will not wear any sunscreen higher than 4 SPF.

EC Ministers Approve Farm Policy Reform

LUXEMBOURG (AP) — European Community farm ministers unanimously approved the May 21 agreement to reform the EC's Common Agricultural Policy, diplomats said early Wednesday.

Various small advertisements and notices at the bottom of the page, including 'Page 15 FOR MORE CLASSIFIEDS', 'Page 11', and 'Page 7'.

Algeria Leaders Meet to Choose Successor to Slain President

ALGIERS — Algeria's ruling State Council, which is dominated by a general who is hostile to Muslim fundamentalists, met Tuesday to choose a successor to President Mohammed Boudiaf.

The State Council, which has remained in permanent session since Mr. Boudiaf, 72, was shot and killed on Monday by a man in police uniform as he gave a speech in the city of Annaba, ordered an inquiry into the slaying but made no public accusations.

Almost 13 months after the authorities declared a state of siege to cope with violent unrest led by Islamic extremists, Defense Minister Khaled Nezzar and his three

colleagues were trying to decide how best to deal with Muslim fundamentalism.

The council could again impose a state of siege and give the army police powers as it did in June last year.

Mr. Boudiaf was to be buried Wednesday at El Alia cemetery in southeast Algiers. The funeral committee headed by Interior Minister Larbi Belkheir would not say whether crowds would be allowed.

No successor was likely to be named until after the funeral. The main opposition parties called for national reconciliation involving the Islamic Salvation Front, which was deprived of electoral victory in January and outlawed two months later.

Mr. Boudiaf, an independence war veteran recalled from exile in January, had ruled out any negotiations at all with the Front.

Witnesses said there had been a civilian accomplice in the attack and that he had been shot and killed. Officials said the uniformed assailant had been arrested.

Five people were seriously injured and remained hospitalized Tuesday, said the official Algerian press agency, APS. Among 36 others wounded, according to the official toll, were two ministers who were allowed to return to their homes.

The country was quiet Tuesday. The press speculated that although Mr. Boudiaf may have been slain by Muslim fundamentalists, he had made many other enemies

with an anti-corruption drive since his return.

General Nezzar, the strongman of the collective presidency, was meeting with other council members including Ali Kafi, a former diplomat; Ali Haroun, a lawyer, and Tedjini Haddam, a theologian and former rector of the mosque in Paris.

In June last year, Abbasi Madani, president of the Front, and his deputy, Ali Belhadj, were arrested on armed insurrection charges.

Mr. Madani, Mr. Belhadj and five other Front leaders went on trial in Blida, 50 kilometers (30 miles) south of the capital, two days before Mr. Boudiaf was slain.

The hearing was swiftly adjourned against a background of gasoline bombings

and terrorist attacks on policemen and troops. The Front leaders rejected the authority of the court, and their lawyers complained of irregularities.

The prosecution said the trial would resume July 12 — an announcement that put a stop to rumors of a pardon on the 30th anniversary of independence July 5. But Mr. Boudiaf's murder has cast doubt over the resumption of the high-profile proceedings.

The former ruling National Liberation Front and the Front for Socialist Forces have been keen on negotiating with the Islamic Salvation Front, but others, such as the Rally for Culture and Democracy and the Communists, back the army in a total crackdown.

WORLD BRIEFS

Pretoria and ANC Trade Accusations

JOHANNESBURG (AP) — The white government accused the African National Congress on Tuesday of spreading lies with its assertion that President Frederik W. de Klerk acknowledged in May that he had lost control of the police.

The ANC secretary-general, Cyril Ramaphosa, asserted Monday that the ANC secretary of the June 17 massacre in Botopang, in which more than 40 people were killed, that Mr. de Klerk had said that he had "no control over these policemen" at a May meeting with ANC leaders. But Mr. Ramaphosa's allegation was "sheer political propaganda," said Mr. de Klerk, who said only that the government could not be held responsible for acts of violence perpetrated by individuals and groups not associated with the police.

Japan to Be Franker on War Role

TOKYO (UPI) — New junior high school textbooks will devote more space to Japan's brutal treatment of the Asian countries it occupied during World War II and will give full-page accounts of forced labor imposed on Koreans and other Asians, the Kyodo news agency reported Tuesday.

The Education Ministry reportedly encouraged publishers to use stronger wording in their descriptions of Japan's wartime role in textbooks for use during the next school year, which starts April 1.

Japan has long been criticized by its Asian neighbors for presenting a censored version of its wartime activities to students. The new texts will now speak of "unbearable suffering" Japan inflicted on Asian countries, replacing the word "trouble" used in earlier texts, Kyodo said. Some of the books mention that two million Vietnamese starved to death under Japanese occupation and that the Japanese Imperial Army killed 6,000 Chinese merchants living in Singapore, Kyodo said.

Report Sees Wave of Anti-Semitism

NEW YORK (Reuters) — Anti-Semitism is rising markedly in certain parts of the world, especially in the new states of the former Soviet Union, according to a report prepared for an international conference on anti-Semitism.

The country-by-country report by the World Jewish Congress said the collapse of the Soviet system had given rise "to what is probably the most dynamic anti-Semitic movement to be found anywhere in the world." The 350-page report said Russia "seems poised in the most unpredictable fashion."

The report, compiled by World Jewish Congress chapters around the world, said anti-Semitism had markedly increased in the Baltic states of Latvia and Lithuania and in the Muslim republics of Uzbekistan and Azerbaijan, where Islamic fundamentalists are active.

TRAVEL UPDATE

Protests Create French Traffic Chaos

PARIS (Reuters) — French truck drivers, farmers and dockers combined to cause traffic chaos Tuesday with more than 50 roadblocks on major highways.

Truckers, protesting against a highway system of punishment for driving offenses, cut the main express highways north and south of Paris and effectively sealed off the cities of Lille, Lyon and Toulouse. The police, apparently overwhelmed, made no move to clear the highways. Farmers demonstrating against EC agriculture reforms weighed in with tractor blockades of the towns of Nevers, La Rochelle and Provins. The dockers, waging a six-month campaign against a dock labor law blocked a major French-Spanish border post in the Pyrenees foothills.

Air Inter expects to run 80 percent of its flights Wednesday, despite a strike that started the day before by three pilot unions, France's domestic airline said Tuesday. The unions are protesting Air Inter's subcontracting work to outside carriers.

Airline passenger traffic on scheduled carriers across Europe rose by 16 percent in May, compared with May last year, the Association of European Airlines reported Tuesday.

Australia is banning smoking at all major airports starting Wednesday, the Federal Airports Corporation said Tuesday. The ban applies to international and domestic terminals and covers all public areas, workplaces, bars, restaurants and shops within them.

Shelling at Sarajevo Halts Aid Delivery

By Blaine Harden
Washington Post Service

SARAJEVO, Bosnia — A French government effort to use transport aircraft to break the three-month siege of this hungry and battered city ran into gunfire Tuesday at Sarajevo airport.

A machine-gun and mortar shoot-out across the runway between withdrawing Serbs and increasingly aggressive Bosnian forces stranded half of the more than 30 tons of food, medicine and water that arrived here Monday night and Tuesday on at least four French military aircraft.

Three United Nations trucks carrying 15 tons of aid managed to get away from the airport. Under sniper fire, the food and medicine was unloaded in the city center and stored in a gymnasium.

Food distribution is scheduled to begin Wednesday, under the supervision of four Sarajevo charities.

Three other UN trucks loaded with food were trapped by the skirmish Tuesday afternoon at the airport. A UN armored personnel carrier was hit by gunfire, and four military observers were wounded slightly by broken glass.

"We are telling the world don't send your airplanes until we can make the airport safe," said Adnan Abdel Razek, a spokesman for the UN peacekeeping force. "Please don't come. Whoever violates this will bear the responsibility."

"Of course, people are hungry," Mr. Razek added. "But if you want this operation to run properly, with

eight relief flights landing a day, let us first secure the airport."

The French government, in its follow-up to the bold surprise visit here on Sunday by President Francois Mitterrand, is refusing to wait for the green light from the UN.

"We take our orders from Paris," said a French pilot who flew one of the C-130 transport planes.

The office here of the UN High Commissioner for Refugees says there are about 5,000 tons of food waiting at various European airports to be airlifted into the city.

Under a deal with both the Serbs and the Bosnian government, the United Nations plans to make the airport safe by bringing in a 1,000-member Canadian infantry battalion from nearby Croatia.

The battalion began moving at dawn Tuesday with 80 armored personnel carriers and weaponry including anti-tank missiles.

The Serbs' withdrawal from the airport, along with their backing away from an offensive against the nearby Muslim suburb of Dobrinja, marks a defeat for their strategy of starving Sarajevo, and it cripples their plan to carve the city into ethnic neighborhoods.

"I think it is a real shame that both sides are shooting so near the airport," Brigadier General Lew MacKenzie said Tuesday afternoon as he rushed around Sarajevo in an armored personnel carrier. He moved between urgent meetings with both Serb and Bosnian forces.

General MacKenzie said that most of the firing was coming from Bosnian government positions.



HE GOT THE JOKE — The Irish foreign minister, David Andrews, pointing at Britain's Northern Ireland secretary, Sir Patrick Mayhew, as they arrived Tuesday for talks in London on Northern Ireland. Ulster politicians, Unionist and Nationalist, joined later. They agreed to a framework for formal talks on the province, advancing moves to end more than two decades of violence.

A Surprising New Bloc in Supreme Court

By Al Kamen
Washington Post Service

WASHINGTON — The Supreme Court's new controlling center-right bloc — Sandra Day O'Connor, Anthony M. Kennedy and David H. Souter — is the unintended moderate creation of two of the most conservative presidencies of the century.

It has confounded conservative backers and delighted liberals in several cases this term, most prominently last week's ruling on school prayer.

But the ruling Monday on abortion surprised observers on both sides who had predicted that it would demonstrate the solid conservative domination of the court.

For conservatives, the emergence of the bloc recalled Dwight D. Eisenhower's lament that the two biggest mistakes of his presidency were his naming Earl Warren and William J. Brennan Jr. to the Supreme Court; both men turned out to be staunch liberals.

Only two of the five justices named to the court by Ronald Reagan and George Bush — Antonin Scalia and Clarence Thomas — are voting as consistently as their conservative supporters had hoped. In his first term, Justice Thomas has agreed with Justice Scalia 86 percent of the time, more frequently than with any other colleague.

"I certainly think this bloc is quickly becoming an embarrassment to the presidents who nominated them," said Gary Bauer, a former Reagan administration official who is president of the Family Research Council. He called it the "wimp bloc."

Liberals who insisted that Presidents Reagan and Bush nominated justices based on a "strict

litmus test on religion and abortion have been proven wrong today," said Tom Jipping, director of the conservative Center for Law and Democracy.

Nomination decisions were based on "the less predictable basis of their judicial philosophy," Mr. Jipping said. He said that in the latest abortion decision, "more rigorous attention should have been paid to judicial philosophy."

In fact, all three justices were named despite substantial misgivings by conservatives, or after conservatives' first choices had been rejected.

In 1981, Mr. Reagan nominated Mrs. O'Connor, a little-known Arizona state judge, not so much to further a conservative agenda but because he had pledged to put a woman on the high court.

Anti-abortion activists and other conservatives expressed considerable misgivings about

her during confirmation hearings, but they went along — only to be confounded subsequently by Justice O'Connor on such bedrock issues as abortion, religion, affirmative action and the death penalty.

Mr. Reagan pleased conservatives with his next choices, Justice Scalia, in 1986, and Robert H. Bork, in 1987, both heroes of the conservative judicial movement. But the Senate's rejection of Judge Bork, followed by the withdrawal of the nomination of an appeals judge, Douglas Ginsburg, after he acknowledged that he had used marijuana, set the stage for Mr. Reagan's next nominee.

In his first terms on the high court, Justice Kennedy delighted conservatives in cases on abortion and religion. But his apparent change of heart on those issues in last week's prayer case and the abortion ruling have left conservatives angry and liberals feeling vindicated in their bitter opposition to Judge Bork.

Justice Kennedy's votes "are a slap in the face to countless people who worked for his confirmation," Mr. Bauer said.

As of Monday, the "Blackmunization of Anthony Kennedy is complete," said a member of the Bush administration, referring to the liberal tilt of Harry A. Blackmun, appointed by Richard Nixon, after his first years on the court.

ABORTION: Friends and Foes Redouble Efforts Before Election

(Continued from page 1)

fall," said Glenn Bolger, a Republican pollster. The only indicator of the new decision, in a case known as Casey v. Planned Parenthood, will be felt in Pennsylvania, but the ruling is likely to spark efforts to enact restrictive legislation in the states.

The court ruling produced a volley of rhetoric, as both sides claimed defeat in an effort to rally their own forces.

James Bopp Jr., general counsel of the National Right to Life Committee, called the decision "a major loss" because it did not overturn Roe v. Wade, the 1973 Supreme Court case that established the constitutionality of abortion on the basis of a woman's right to privacy.

David Andrews, acting president of Planned Parenthood, described the decision as "another giant step backward."

But behind the predictable rhetoric, Democrats and Republicans were making calculations about how to capitalize on the issue this fall, with the Bush campaign hoping to play down its importance and Democrats raising the stakes of the November vote. Public opinion polls show a solid majority in favor of allowing abortion.

The probable Democratic presidential candidate, Bill Clinton, said that before making a nomination to the Supreme Court, he would want to know that Roe v. Wade would be secure. He said a nominee ought to be willing to answer questions from senators on the subject.

"The constitutional right to choose is hanging by a thread," Mr. Clinton said. "Only the next election can preserve it."

Mr. Bush issued a written statement saying he was "pleased" that the court had upheld "most of Pennsylvania's reasonable restrictions on abortion." The statement came after a rush of phone calls and debate back and forth among White House and campaign officials

over how much the president should say and whether he should say it for the cameras.

Harrison Hickman, a Democratic pollster who advises the National Abortion Rights Action League, said that because the court did not flatly overturn Roe v. Wade it "may have helped Bush avoid the full impact of this bullet."

But he argued that the Webster decision already guaranteed that the issue would hurt Mr. Bush and said the public-opinion consensus that forms in the next week over the Pennsylvania decision would determine how much more important the issue becomes.

"He's going to continue to bleed from this wound," Mr. Hickman said. "But an overturn of Roe would have been fatal to him."

The first Democratic move to pressure Mr. Bush will come this week, when House and Senate committees are expected to approve the Freedom of Choice Act.

Kinkel, another newly appointed figure, Mr. Riffe hopes to help counter what many Europeans perceive as a rising tide of American isolationism.

By assuring the Bush administration and Congress that a U.S. presence in Europe is still desired, and arguing that a European army will lift some of the financial burden of maintaining a U.S.-dominated defense structure in Europe, Mr. Riffe aims to ease U.S. concern about the planned 35,000-member German-French European army.

RELIEF: U.S. Shield for Sarajevo

(Continued from page 1)

on Monday because of the situation. He said the aircraft carrier Saratoga was on a port visit to Sarajevo, France.

Speaking of air cover, he said: "Clearly we've come to the view that this would be an appropriate role for us to play if there was some kind of international mission to provide humanitarian relief supplies to Sarajevo through some way other than the airport."

He said that this could involve transporting supplies by truck over 200 kilometers (125 miles) from Split or some other city.

But Mr. Williams said no U.S. fighter jets had been moved into place to prepare for any possible UN request for support.

In an interview with reporters earlier Tuesday, Mr. Cheney was quoted by Mr. Williams as saying that Washington was considering what to do "in an environment in which there might be military resis-

tance or some ongoing combat between the parties that are currently engaged around Sarajevo."

Asked about the difference in approach between the United States and France, a State Department spokesman said: "We are working with the UN. The French have chosen to do it their own way. And I'm not going to get into describing the differences."

The State Department said Washington had sent food for 3.5 million meals, along with medical and other supplies, for the airlift.

About half was in the Croatian capital, Zagreb, and the rest was on its way to, or had arrived in, Split, a Croatian port closer to the Bosnian border.

The department spokesman, Joe Snyder, said the United States had also readied 80 sea van containers of food in Rotterdam that were available for airlift into Sarajevo when security conditions were adequate.

EDITOR: A Change of Course

(Continued from page 1)

brilliant covers and cartoons, from Stieberg to Adams.

The magazine has had only three editors since its beginning: Harold Ross, from 1925 to 1952; William Shawn, from 1952 to 1987; and Mr. Gottlieb, from 1987 until Tuesday.

Mr. Shawn left shortly after Mr. Newhouse bought the magazine. On Mr. Shawn's departure, Mr. Newhouse described him as "the finest editor of his time." For his part, Mr. Shawn had nothing to say about the change, which stunned The New Yorker staff.

As editor, Mr. Shawn read every word that went into his magazine. He notoriously overbought manuscripts. His office was riddled with stacks of articles that had been paid

for and set in print but not yet published. The small, soft-spoken Mr. Shawn regarded these works almost as offspring.

Mr. Gottlieb came to The New Yorker from Alfred A. Knopf, where he had been editor in chief, having worked with such writers as V.S. Naipaul, John le Carré and Barbara Pym.

Vanity Fair features articles and photographs on American and European celebrities of various sorts. Its stable of writers has recently included more Europeans.

Ms. Brown is widely viewed as having saved the magazine and transformed it into one of the most talked-about in the publishing industry.

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GERMANY: Rejection of the Eurojet Sends a Loud Signal to the Allies

(Continued from page 1)

in UN peacekeeping missions by the end of this year, but he said that any move to join in UN "peace-making" forces was not likely before the latter half of the decade.

Even after Germany decides to join its allies in UN missions, the legacy of aggression will limit use of the Bundeswehr. For historical reasons, Mr. Riffe said that Germans would in no case participate in any UN show of force in Yugoslavia.

But he insisted that Germans could be deployed in Eastern Europe or the former Soviet Union.

"It's not the same as Serbia everywhere," he said. "You have to decide each individual case as it comes up. We will only go where we are wanted."

Mr. Riffe has already sent German officers to Finland, Norway, and Austria to study how those countries train troops for UN service. He said between 1,000 and 2,000 German soldiers would begin

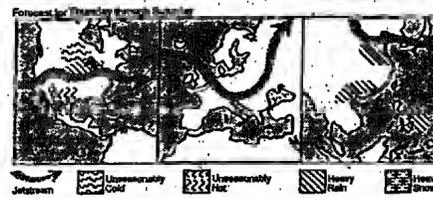
training for peacekeeping duties as soon as parliament approves participation.

He conceded that although a clear majority of the German public supports joining UN peacekeeping missions, the government still needs to persuade many Germans of the wisdom of such a change.

"Psychologically, you can't change the country overnight," he said.

Arriving in Washington only 48 hours after Foreign Minister Klaus

The Weather



Typical summer weather is in store for the northeastern United States. Thursday through Saturday will be hazy sunshiny, warm and humid afternoons and possibly a thunderstorm. Seizing sunshine will be late in the week.

Region	Today	Tomorrow
Algeria	High 28.00, Low 18.00, Wind 27.00, Clouds 100%	High 28.00, Low 18.00, Wind 27.00, Clouds 100%
Amman	High 25.00, Low 15.00, Wind 25.00, Clouds 100%	High 25.00, Low 15.00, Wind 25.00, Clouds 100%
Beijing	High 25.00, Low 15.00, Wind 25.00, Clouds 100%	High 25.00, Low 15.00, Wind 25.00, Clouds 100%
Bombay	High 25.00, Low 15.00, Wind 25.00, Clouds 100%	High 25.00, Low 15.00, Wind 25.00, Clouds 100%
Buenos Aires	High 25.00, Low 15.00, Wind 25.00, Clouds 100%	High 25.00, Low 15.00, Wind 25.00, Clouds 100%
Calcutta	High 25.00, Low 15.00, Wind 25.00, Clouds 100%	High 25.00, Low 15.00, Wind 25.00, Clouds 100%
Chengde	High 25.00, Low 15.00, Wind 25.00, Clouds 100%	High 25.00, Low 15.00, Wind 25.00, Clouds 100%
Chongqing	High 25.00, Low 15.00, Wind 25.00, Clouds 100%	High 25.00, Low 15.00, Wind 25.00, Clouds 100%
Colombo	High 25.00, Low 15.00, Wind 25.00, Clouds 100%	High 25.00, Low 15.00, Wind 25.00, Clouds 100%
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London	High 25.00, Low 15.00, Wind 25.00, Clouds 100%	High 25.00, Low 15.00, Wind 25.00, Clouds 100%
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Taipei	High 25.00, Low 15.00, Wind 25.00, Clouds 100%	High 25.00, Low 15.00, Wind 25.00, Clouds 100%
Tokyo	High 25.00, Low 15.00, Wind 25.00, Clouds 100%	High 25.00, Low 15.00, Wind 25.00, Clouds 100%

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Lack of Follow-Up Hampers 'Education President'

By Susan Chira
New York Times Service

MEMPHIS — Four years after George Bush took office proclaiming himself to be the "education president," he can point to few tangible accomplishments that have actually improved schools.

But Mr. Bush and his aides do claim credit for starting a movement called America 2000 that they say will force fundamental changes in U.S. education in the years ahead. It has spawned local education reform drives like one here in Memphis and in more than 1,000 other American communities.

Memphis is a laboratory for Mr. Bush's contention that the answer to American educational ills lies not with U.S. government programs but with local initiative.

Asked in a recent interview to name his most significant domestic initiatives, the president's first response was: "I think clearly the education initiative," and he pointed specifically to the "many American 2000 communities" across the country.

His strategy assumes that American schools will be transformed, not with more money but through vouchers that allow parents to use public funds to pay private school tuition, through local community efforts like Memphis's, and through the use of innovative new schools as well as national tests and curriculum standards.

Yet, from educators and others on the right and the left come the same complaints that dog Mr. Bush in many other areas of domestic

policy as well — that he has articulated conservative principles but failed to show leadership that rallies the nation behind them, or to follow through so his plans are actually put into action.

"The president has talked a good game," said Elsie Lewis Bailey, principal of Booker T. Washington High School in Memphis and a leading member of the drive to im-

prove schools. "But I can't applaud anything at this point that he has done to make a difference."

Mrs. Bailey's school stands amid housing projects where students fight daily battles with drugs and death. Washington High is a stark illustration of the policy rift between Mr. Bush and his critics.

The president assumes that education problems are best solved through a process like the one under way here, in which parents and communities take the responsibility to encourage academic achievement and counter social breakdown.

But many educators believe the ills of American schools require a larger federal plan, a detailed urban agenda and a great deal more money than Mr. Bush shows any sign of wanting to spend.

These educators say there is little hope that Washington High's students can conquer the poverty and despair that are the blight of so many inner-city lives until the gov-

ernment also offers broader initiatives to counter the urban ills that so often lead to school failure.

Mr. Bush gets praise from educators for the first concrete action he took as education president: an "education summit" in Charlottesville, Virginia, in 1989 at which he and the state governors agreed on six broad, national goals.

These include making sure all children are healthy and intellectually stimulated enough to start school; catapulting students from near the bottom among industrialized nations to the top in math and science achievement; raising the high school graduation rate from about 75 percent to 90 percent; erasing illiteracy, and making schools safe and drug-free.

But educators waited nearly two years for clues about how Mr. Bush thought Americans could achieve these goals. Then, in March 1991, Mr. Bush appointed Lamar Alexander as secretary of education. While governor of Tennessee, Mr. Alexander had been praised for trying to improve schools. In Washington, he quickly drew up the new education strategy.

The U.S. government has never spent much money on education — it now pays only 6 percent of all public education costs, from kindergarten through high school, a drop of almost 40 percent from the level before President Ronald Reagan took office. But even without a pledge of major new spending, most educators welcomed Mr. Bush's emphasis on parental responsibility, community action and curriculum standards.

At the same time, though, critics have attacked Mr. Bush's plan, saying it depends too heavily on model schools while neglecting inner-city issues. In fact, even his advisers concede that Mr. Bush's approach to education works best for his core Republican constituency — white, middle-class and suburban.

Still, Mr. Bush and his aides claim to be champions of the poor as well, asserting that their voucher proposal serves that end. Vouchers — allowing parents to take their children out of public schools and use the money that would have been spent on them there to pay private school tuition — is an idea dear to the Republican right wing Mr. Bush badly needs if he is to win re-election.

In his current budget proposal, Mr. Bush is asking for \$500 million for vouchers of \$1,000 that families with low or middle incomes could spend each year on public, private or parochial schools. The idea, Mr. Alexander says, is to give poor and middle-class families the same choices that the well-off have.

But Mr. Bush's endorsement of vouchers has also drawn vehement and well-organized opposition from those who believe it is nothing less than an attack on the very idea of public schooling. Critics believe it would skim off the best students with the savviest parents.

Mr. Bush's supporters say the government has made progress in some areas of the president's over-

all education plan. A variety of education specialists in and out of government have begun to draw up broad standards in several subjects that will lay down what students should know by certain points in their academic careers.

But many key Bush proposals have died in Congress. Democratic majorities have refused to approve vouchers, and there seems to be little chance they will do so soon. Congress has turned down a request for \$500 million to begin operating 535 new showcase schools because Democrats believe that creating such schools will not improve the 110,000 existing public schools.

Even conservative organizations, though they praise the president's ideas, say Mr. Bush has failed to do what leaders must: drum up enough support for his proposals, both in Congress and around the country.

"The stuff on paper is great," said Stuart M. Butler, director of domestic policy studies for the Heritage Foundation. "But there is absolutely no follow-through politically with any of these items. It's a deficiency of the White House in general in the domestic area."

Democratic aides on Capitol Hill who negotiated with the administration on the president's education proposals say officials essentially gave up on Congress when they realized they would have to compromise.



George Bush telling an audience in Detroit that "I'm ready for the fray" and he has never felt better.

Clinton Slips Into Narrow Poll Lead After Flurry of Bush-Perot Sniping

By Richard Morin
Washington Post Service

WASHINGTON — Bill Clinton's standing with voters has climbed following recent news reports about Ross Perot and a week of political sniping between the Texas billionaire and President George Bush, according to a new Washington Post-ABC News Poll.

The survey found Mr. Clinton, the prospective Democratic presidential nominee, with a statistically insignificant lead among registered voters of 33 percent to 31 percent over Mr. Perot. Mr. Bush was the choice of 28 percent of those questioned.

Among those most likely to vote, the Arkansas governor led Mr. Perot by 33 percent to 30 percent, with 29 percent favoring Mr. Bush.

The poll marked the first time that Mr. Clinton has led Mr. Bush and Mr. Perot in a Post-ABC survey and the first time that Mr. Perot has finished third. The margin of sampling error for results among registered voters was plus or minus 4 percentage points.

In Post-ABC polling since April, each of the three candidates has finished first at least once, usually by a narrow margin, and each has finished third — a reflection of changeable voter preferences early in a presidential campaign.

The new poll suggests that Mr. Clinton appears to have benefited, at least temporarily, from the political fighting that erupted last week between Mr. Perot and Mr. Bush.

The clash began after Mr. Bush expressed dismay over news reports that Mr. Perot had financed investigations in pursuit of derogatory information about several people who have crossed him in his professional and private life — including Mr. Bush.

Mr. Perot, an independent who has not formally announced his candidacy, denied the allegations and said that he was the victim of an orchestrated attempt by the Republican Party to discredit him by disclosing damaging but false accusations about him to the press.

Mr. Clinton appears to have gained considerable ground, particularly among Democrats who had strayed to Mr. Perot.

The new survey suggests that support for Mr. Clinton has increased from 26 percent to 33 percent in the last three weeks. During the same period, Mr. Perot lost 5 percentage points while Mr. Bush continued his downward spiral in Post-ABC polls.

Mr. Clinton's improved showing appears to have come largely from Democrats who had supported Mr. Perot. Three weeks ago, 48 percent of those Democrats surveyed said they supported Mr. Clinton. In the most recent poll, 56 percent said they favored him.

Lord Bath Dies, Tourism Pioneer In Stately Homes

Reuters

LONDON — Lord Bath, 87, who made his stately English home into a tourist attraction and turned the grounds into a game park stocked with lions, died of cancer Tuesday.

One of Britain's most colorful aristocrats, the Sixth Marquess of Bath, Henry Frederick Thynne, made Longleat House, 90 miles (145 kilometers) west of London a magnet for thousands of visitors every year when he went into partnership with a circus owner to open a safari park. His success showed countless impoverished British noblemen how to stave off bankruptcy by making the public pay to visit their crumbling but historic homes and gardens.

When he opened his safari park, Lord Bath was on hand to take the entrance fee from visitors. He regularly wore old clothes to work in the grounds, where he was often mistaken for a gardener.

He was educated at Harrow, where he failed to distinguish himself academically. The headmaster once described him as a "moron beyond reach."

He is succeeded by his eldest son, Lord Weymouth, who paid tribute to his father's contribution to the stately home business.

British Increase Africa Aid

Reuters

LONDON — Britain said Tuesday it was increasing aid to Southern Africa by £10 million (\$19 million) because of drought. Britain has already given £30 million to help countries such as Zimbabwe and Mozambique and has contributed £11 million worth of food.



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AMERICAN TOPICS

Fad for Pet Piglets Goes Potbelly-Up

Pet owners who made Vietnamese potbellied pigs all the rage a year ago are starting to tell the porkers, "Th-th-that's all, folks," the Los Angeles Times reports. These low-slung swine are turning up in animal shelters from Boston to Los Angeles. "Owing potbellied pigs was a mini-fad that has peaked," said Frank Andrews, director of the Los Angeles County Department of Animal Control. Ronald Costello, a pig owner in Los Angeles, said, "There are a lot of trendy people who have bought pigs just to say they have them — just because it was the hot thing to do. Now they don't want them."

Animal lovers blame the recession, the vagaries of public taste, the differences between pigs and other pets, and the tendency of cute four-pound piglets to grow. And grow. And grow. Some grow to 130 pounds (58 kilograms) or more. That is small by farm standards, but it surprises some pet owners. Pigs are smart — pig enthusiasts say they are smarter than

Short Takes

clean ones for 40 cents.

The machine dispenses a bar-coded sticker, but the customer must slap it on the bottle. The customer also screws on the cap. To allay any health concerns, the nozzle that dispenses the soda is cleaned between each serving with hot water and ultraviolet light. Even though most people in the United States get to work in automobiles, 72 percent want more bicycle and pedestrian pathways, according to a survey by the Louis Harris organization. Support was highest among inner-city and minority adults. The poll found that 76 percent of the 1,253 surveyed drive their own cars to work, 12 percent are part of car pools and 5 percent take buses, subways, trolleys or ferries. Only 4 percent walk and 1 percent bicycle. But 73 percent walk for exercise, 46 percent ride bicycles and 24 percent run or jog.

"In the list of things you really don't want to hear," notes David Streifield in The Washington Post, are the garage mechanic's "I'm afraid there's some trouble," the doctor's "I'd like you to come back for another test," the spouse's "we really need to talk" and the boss's "are you sure you're happy here?"

dogs or cats. But pigs can be more difficult to discipline than puppies are.

They can be stubborn — pig-headed, in a word. And they are known to hold a grudge if they are mistreated.

A self-service soda bottling machine is offered at some supermarkets. Bring your own bottle. Save money. The typical machine offers about 18 regular and diet flavors; the shopper pays less and the supermarket makes more. The machine can also rinse empty bottles before they are refilled, or customers can buy

Arthur Higbee

Baboon's Liver Is Functioning in Human Recipient

United Press International

PITTSBURGH — The 35-year-old man who received a liver transplant from a baboon in the first surgery of its kind remained in critical condition at Presbyterian University Hospital on Tuesday. Lisa Rossi, a spokesman for the University of Pittsburgh, whose surgeons performed the operation, said the patient's new liver was functioning satisfactorily. She said the man was awake and responsive and was breathing with a respirator. His identity has not been released.

The biggest fear is that the recipient's immune system will manufacture antibodies to destroy the baboon organ, the spokesman said. The next two weeks are considered vital.

The man received the baboon liver in an 11-hour operation Sunday. His liver had been destroyed by the hepatitis B virus. Doctors said they did not want to use a human liver for the transplant because they feared it also would be ravaged by hepatitis B. Baboons cannot be infected with hepatitis B, said Dr. Thomas Starzl, who headed the transplant team.

The hepatitis B virus can be transmitted in blood products used for transfusion or by the use of contaminated needles, especially among intravenous drug users. The infection can lead to death by killing liver cells.

Panel Moves to Punish Navy Over Sex Abuses

By William J. Eaton
Los Angeles Times Service

WASHINGTON — Amayed by the U.S. Navy's handling of the Tailhook affair, the House Appropriations Committee has voted to slash 10,000 military jobs from navy headquarters here and around the world. The move is being led by Representative John Murtha, Democrat of Pennsylvania, a hard-nosed former Marine who chairs the defense appropriations subcommittee. It is expected to be approved by the House when it votes on the \$25.3-billion military budget Thursday.

The cut may not survive in the Senate, however, and Mr. Murtha acknowledged that it was designed primarily to urge disciplinary action against the officers involved in allegations of sexual abuse at a Las Vegas convention and to halt what he termed a "cover-up" by navy officials.

The committee's action Monday, taken by voice vote without dissent, followed the resignation Friday of the secretary of the navy, H. Lawrence Garrett 3d.

Mr. Garrett, who attended the convention but said he witnessed no improper behavior, blamed himself for a "leadership failure" that was responsible for the behavior at the convention and the slow-moving investigation of it.

Twenty-six women, half of them navy fliers, have said they were sexually groped and grabbed while forced along a gantry of male officers in a hotel hallway during the 1991 Tailhook convention in Las Vegas. The convention, named for the device that snags jets as they land on aircraft carriers, is an annual event for aviators.

No charges have been filed in the alleged assaults, and only one aviator "received counseling" for his participation.

Initial inquiries implicated only two men, although 1,500 people were interviewed about the women's charges. The investigation is now in the hands of the Defense Department's inspector general, and as many as 70 officers could face disciplinary proceedings, the navy has said.

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Animal Farm: Rural Kalmyks Give Moscow's Dacha Elite Something to Sniff At

By Fred Hiatt

Washington Post Service

ARKHANGELSKOYE, Russia — As the riches of the former Soviet Union are divided, privatized, looted and fought over, the squabble for one country house may seem like small potatoes.

But there is a David-and-Goliath quality to the fight for this dacha, where the Soviet armed forces commander, Marshal Sergei F. Akhromeyev, lived until shortly before his post-putsch suicide last year.

The current occupants are representatives of the tiny, long-repressed Buddhist population of the Kalmyk Autonomous Republic of Russia, and they are fighting to keep their prize. They acquired it a year ago, when bureaucrats' attentions were elsewhere, from the clutches of the newly reconstituted Russian Defense Ministry.

The Kalmyks already have trucked in chickens, turkeys and sheep from their native lands in the Caucasus Mountains to make the place

more homey. Their high-ranking neighbors, including Marshal Yevgeni I. Shaposhnikov, the military commander of the Commonwealth of Independent States, are said to be agitated. "Everybody knows that the Kalmyks have brought lambs, hay and call girls to this dacha," said a spokesman for the Defense Ministry's communal services department. "This is why we are asking them to leave this place immediately."

The dispute opens a window on the long-forbidden world of privilege that the new Russian elite — who in many cases are the old Soviet elite, repackaged — would like to maintain.

It also opens a way down one of those dead-end country roads and behind one of those high wooden fences still bearing Do Not Enter signs and still vigilantly patrolled.

"When I first saw this place, I was amazed at how they lived," V.B. Lidjiev, a Kalmyk businessman, said on a recent visit to the dacha. "Those Communists knew how to live."

By upper-middle-class U.S. standards, the dacha itself is unexceptional, even poignant in its misguided striving for luxury. Except for a movie theater and a swimming pool in separate outbuildings, the green stucco structure and its rambling yard would be within the reach of many U.S. Army colonels.

But to Russians living in crumbling apartments that could fit inside one of the dacha's high-ceilinged bathrooms, everything about the place is astonishing, not least the clean air and unspoiled woods.

Arkhangelskoye is a 30-minute drive west from the Kremlin. Once beyond the city, a two-lane road meanders through birch forests in what seems like a theme-park version of the Russia that should have been. There are no potholes, no ugly apartment blocks, no factories belching black smoke.

Along this road, the big shots zip to their dachas in limousines. President Boris N. Yeltsin drives to where the former Soviet president, Mikhail S. Gorbachev once lived; Vice Presi-

dent Alexander V. Rutskoi and others have dachas nearby. Most live in these substantial, secluded homes year-round, according to Genrikh Djimbinov, the Moscow representative of the Kalmyk republic.

Along one off-limits road near the winding Moscow River, Marshal Shaposhnikov has a charming residence. Across a wooden fence, beyond soldiers with German shepherd dogs, lives his chief deputy, according to Mr. Djimbinov.

Between the two generals, at the end of the road, are the Kalmyks and their sheep. The Kalmyks, who now number 360,000, migrated west across the steppes centuries ago and settled in the northern Caucasus, between the Caspian and Black seas. In 1943 and 1944, Stalin forced them, along with other ethnic minorities, to Siberia. Thousands died.

Nikita S. Khrushchev permitted their return in the 1950s, but they continued to languish under Soviet rule, Mr. Djimbinov said, slighted

in military promotions, political power and economic aid.

Now, the republic is standing up for its rights and seeking foreign investment to bring it into the new capitalist era. Mr. Djimbinov — a former deputy mayor of the Kalmyk capital, Elista, and no stranger to the Communist apparatus — decided a dacha outside Moscow would be just the thing.

A cheerful man with an ample stomach, Mr. Djimbinov pulled off a coup, signing a five-year lease for 250,000 rubles (about \$2,500) a year. The military hospital in charge of the property was happy to find a paying tenant. When Marshal Akhromeyev handed himself last August after failure of a Kremlin takeover plot, it seemed no one could challenge the Kalmyks.

Mr. Djimbinov speaks with the pride of an owner. True, he said, the military brass took everything when they pulled out — light fixtures, bulbs, rugs, movie projectors. The out-

door wooden bathhouse had been dismantled and the basement sauna needs work.

But the berry bushes and fruit trees are flourishing. The marble fireplace is in good order. The carved wooden staircase is impressive. And the two enormous bathrooms certainly make a statement of some kind.

But now, Mr. Djimbinov said, Marshal Shaposhnikov "doesn't want Kalmyks" for neighbors. "He says: 'Give them a dacha somewhere else. We don't need them here.'"

Mr. Djimbinov is using all his political influence to persuade Mr. Yeltsin to sign a decree simply awarding the dacha to the Kalmyks, who say they will use it to advance the common good and not for one man's pleasure.

Besides, Mr. Djimbinov said, given the Kalmyks' decades of suffering under communism, their centuries of service guarding Russia's southern borders and their willingness not to declare outright independence from Russia now — given all that, he said, one mid-size dacha seems the least the Kalmyks deserve.



A Russian in the separatist Trans-Dniester region of Moldova learning of the death of her son.

Russian Foreign Minister Warns of Coup

Reuters

MOSCOW — Foreign Minister Andrei V. Kozyrev of Russia said in an interview published Tuesday that he saw a risk of a coup by rightist forces.

"I think that the threat of an anti-democratic coup exists," Mr. Kozyrev told Reuters.

He suggested that it would be achieved "either by another congress of the Soviet Communist Party or as revenge of the apparat."

Organized opposition to the Russian government's harsh economic program has grown over the past few months as inflation soars and living standards plunge. Members of the banned Communist Party are planning a congress this year.

Mr. Kozyrev said that rightist figures and some military leaders had taken a hard stance on protecting Russians living outside the republic in an attempt to gain influence.

Mr. Kozyrev, appointed foreign

minister by President Boris N. Yeltsin, is the most senior government figure to warn of a possible coup attempt.

The former Soviet foreign minister, Eduard A. Shevardnadze, resigned in December 1990, warning of a rightist coup. Less than eight months later, senior military and government leaders tried to overthrow Mikhail S. Gorbachev.

"What's happening here is like what occurred in Germany in 1933, when some of the democrats adopted nationalist positions," Mr. Kozyrev said.

A former Yeltsin adviser, Sergei Shakhrai, said last month that he feared a coup, and he compared Russia to Germany's prewar Weimar Republic, recalling that a defeated people rallied to the idea of a national revival that led to the rise of Hitler.

Leading rightist figures, notably Vice President Alexander V. Rutskoi, have called for force to be used to protect Russians in ethnic trou-

ble spots like Moldova and Georgia.

But Mr. Kozyrev dismissed the calls as saber-rattling and said they could spark a wave of anti-Russian sentiment across the former Soviet Union.

"Unfortunately the party of war, the party of neo-Bolsheviks, are raising their heads," he said.

Russian nationalists, who have joined forces with former Communists in and outside parliament, frequently attack Mr. Kozyrev for cooperating closely with the West, saying he has made too many concessions.

Members of a hard-line faction in the mainly conservative parliament earlier this month hinted at armed struggle to stop deep new arms cuts agreed to in Washington by Mr. Yeltsin and President George Bush.

Parliament last week voted against United Nations-sponsored sanctions against Serbia, with some deputies condemning Mr. Kozyrev

Arafat Aide Is Murdered In Lebanon

Compiled by Our Staff From Dispatches

SIDON, Lebanon — Gunmen in an ambush killed a PLO aide to Yasser Arafat in southern Lebanon on Tuesday and wounded two of the aide's bodyguards, Lebanese security sources reported.

It was the second killing this month of a high official in the Palestine Liberation Organization.

The sources said Lieutenant Colonel Anwar Madi of Mr. Arafat's Fatah faction died shortly after his car was attacked in this southern port city by men firing submachine guns.

The car came to a stop after the two bodyguards had been wounded. A gunman then approached and fired five shots at Colonel Madi from a pistol.

Arafat's aide, the Palestine Liberation Organization's security and intelligence chief, was slain outside his hotel by two gunmen on June 8 while he was in Paris for consultations with French intelligence officials.

Colonel Madi was the latest victim in a series of attacks on Palestinian leaders in southern Lebanon this year.

Lebanese security sources have said power struggles between Palestinian factions were behind most of the attacks. But Palestinian officials have accused the Israelis.

Lebanese troops routed PLO guerrillas in the south a year ago, forcing thousands of them back into refugee camps and taking over their last bases confronting the Israelis.

(Reuters, AP)

Jordan Rejects U.S. Plan to Monitor Iraqi Trade

By Nora Boustany

Washington Post Service

AMMAN, Jordan — King Hussein has rejected a U.S. plan to place United Nations observers in Jordan to monitor compliance with trade sanctions against Iraq, according to a senior official.

The official said Jordan had turned down the proposal, despite the strain this puts on relations with Washington, because it would have undermined the country's credibility.

"We cannot accept to have paratroopers come and see whether our government is behaving according to their wishes," he said.

The U.S. plan called for about 30 UN observers in civilian clothes to inspect arriving cargos at the Red Sea port of Aqaba and to monitor

Jordan's land border with Iraq. The plan would have led eventually to the removal of a Western naval blockade off Aqaba.

It also called for the possible replacement of oil supplies to Jordan that now come from Iraq. Jordan has been getting 50,000 barrels a day of crude oil from Iraq at bargain rates — some of it free — in repayment of hundreds of millions of dollars Baghdad owes in debts incurred during the Iran-Iraq war.

Oil would have been supplied at world market prices at first "and eventually at possible concessionary prices," the senior official said.

He said Jordan would have had to provide logistics and other support to the UN team.

King Hussein rejected the plan last week during a meeting in Aqaba with the director of central intelligence, Robert M. Gates, according to official Jordanian sources cited by Reuters.

The United States has said it has intelligence reports of movements of contraband across Jordan's border with Iraq, which Jordan has denied. But Washington canceled joint military exercises with Jordan this month in a sign of anger and postponed military aid.

Ukraine Offers Crimea Some Self-Rule

Compiled by Our Staff From Dispatches

KIEV — Ukraine's parliament voted Tuesday to grant the Crimean Peninsula wide-ranging autonomy, allowing it to determine its own foreign economic relations and social and cultural policies.

The power-sharing arrangements were detailed in amendments to a new law aimed at satisfying the territory's demand for self-rule but keeping it under Kiev's overall control.

The changes must be approved by the Crimean parliament.

"The Republic of Crimea is an autonomous, composite part of Ukraine," the law said.

The document said the republic's constitution should not contradict that of Ukraine and the territory could not be transferred to another state without consent of the Ukrainian and Crimean parliaments.

The peninsula was turned over to Ukraine by Russia in 1954. Last month, the Russian parliament voted to challenge the legality of the transfer.

The Crimean parliament declared independence in early May, but quickly reversed the decision after strong protests from Kiev and Ukrainian nationalists living in Crimea.

Russian nationalists in Crimea, seeking to break from Ukraine, have collected more than 200,000 signatures to support their demand for an independence referendum.

"It seems to me that there will be no referendum," the chairman of Crimea's parliament, Nikolai Bagrov, told the legislature in Kiev.

Ukrainian nationalists of the Rukh movement were unhappy

with concessions in the new law, and some of them, including a Rukh co-leader, Vyacheslav Chornovil, walked out in protest.

But 264 deputies out of the total of 450 voted in favor of the amendments, with only 4 against.

The power-sharing deal states that every Crimean citizen is also a Ukrainian. It gives the peninsula, popular for its coastal resorts, control over natural resources.

Military forces can be deployed in the peninsula only with the agreement of the Crimean leadership. But Ukraine will still determine defense and foreign policies, customs regulations, monetary and other issues.

Elsewhere, heavy fighting in the separatist stronghold of Bender, in Moldova, killed two Moldovans and wounded three, the Defense Ministry said.

A statement also reported clashes in Bender suburbs and the nearby village of Kitakany.

The Defense Ministry said four people were killed and 10 wounded overnight in Kocheri, a Moldovan-held village in Trans-Dniester Republic, the name the Slavic-speaking separatists have given the territory.

Fighting in and around Trans-Dniester has claimed more than 300 lives in two weeks and has wounded hundreds more. The separatists want to secede from Moldova, which has a strong ethnic Romanian majority.

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U.S. Finds No POWs in Russia

The Associated Press

WASHINGTON — A special envoy said Tuesday that he had found no evidence in Moscow that any living U.S. prisoner of war was being held against his will in the former Soviet Union.

The envoy, Malcolm Toon, briefed President George Bush after a weeklong trip and said afterward, "There probably is no living American POW detained against his will."

The former ambassador to the Soviet Union said that top Russian officials had agreed to open their security archives to U.S. investigators, as Boris N. Yeltsin promised here recently.

The Russian president said during meetings with Mr. Bush that some GIs had been kept in Soviet prisons after World War II, the Korean War and perhaps even the Vietnam War.

Mr. Toon said he had encountered "some puzzlement" as to why Mr. Yeltsin said that, "and what he had in mind."

He said he would draw a distinction between Americans held against their will and any who may have elected to stay after the wars.

"There probably isn't any live American POW being detained against his will in Russian facilities," he said.

Mr. Toon said that nine U.S. spy pilots were shot down over Soviet territory during the Cold War and that others may have been held prisoner.

"We still have to find out what happened to those in the past," he said. "And if there are any remains, we want those returned to us."

Some of the U.S. investigators went to a labor camp in Siberia during Mr. Toon's trip but found no evidence of Americans being held there.

Mr. Yeltsin pledged that "every document, every archive" in Russia would be searched for clues to the fates of any Americans missing from the three wars.

Mr. Toon said he prodded the Russians to issue a statement within two weeks confirming that no American was being held.

"I saw no reason at all, and no American could see any reason, why the Russian government can't come up with a statement within two weeks indicating whether or not there's a live American POW being detained in Russian facilities," he said. "So that will be done."

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OPINION

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Help at Last for Sarajevo

It took three months of Serbian artillery pounding and more than 7,000 Bosnian fatalities, but international forces are now moving into Sarajevo to bring food and care. It is a pity that the intervention did not — politically, could not — take place until the toll had been run up to heights that made it morally impossible for Western governments to look the other way any longer. Finally, however, the West found a way. François Mitterrand's visit was both symbol and catalyst of change.

peace in Bosnia, had just about completed its territorial grab anyway. But it is bound to be a close-run thing. The arrival of peacekeepers in Bosnia is likely to prompt a debate that also badly needs to get up momentum in Croatia. What political design are the peacekeepers meant to serve? It is easy enough to say that the purpose is to induce the local parties to negotiate. But the parties' own plain inclination is to fight. Then, outsiders are going to be asked whether they support restoration of the old borders or a settlement based on new borders both between republics and within them. This leads to the further question of what will be the role of the United Nations, the European Community or the United States, and others, in any peace talks that get under way.

The Court Saves Liberty

The Supreme Court on Monday preserved liberty for American women and, because of three moderates, honor for itself. Its abortion decision did not make Monday a happy day. The decision will allow states to impose new burdens on, especially, poor women. The court remains so divided that abortion rights may now turn entirely on the next justice named to the bench. But even so, by reaffirming Roe v. Wade, the decision that recognized a woman's right to control her reproductive fate, the present court remains reasonably right.

Like the court that decided Roe, the present court recognizes that a woman's ordeal "is too intimate and personal for the state to insist, without more, upon its own vision of the woman's role." Not only has the basis for the woman's right remained unchanged, but also "the ability of women to participate equally in the economic and social life of the nation has been facilitated." Roe v. Wade was a brilliant resolution of seemingly irreconcilable interests, the pregnant woman's against society's concerns over potential life. Its legal principles need only of Monday's modifications. And even those adjustments will not remove the political threat the court resisted.

The Navy Is Disgraced

It will apparently take an outsider, and a determined one, in the secretary's office to persuade the U.S. Navy that its world has changed. The gamy and disgraced Tailhook affair has done more damage to the service than its senior officers yet seem to understand. Lawrence Garrett 3d, secretary of the navy, has now resigned, not voluntarily, acknowledging a badly botched investigation.

leadership. Perhaps he was too close to the navy to see the changes it needs. He enlisted as a young man, won a commission, was a navy flyer to Vietnam and served 20 years before leaving the service for the political jobs that brought him to the Pentagon — the first person in the navy's modern history to rise from seaman to secretary.

Other Comment

What Community of Nations? The role envisaged for the United Nations by the secretary-general squarely addresses some of the most difficult issues facing the international community. While details can be argued over, Boutros Boutros Ghali deserves credit for coming up with solutions which are as equitable as they are realistic. His blueprint puts forward the idea of preventive deployment of UN contingents in troubled regions to forestall fighting across borders.

concept of the United Nations as a guardian of world peace, while foot-dragging over funding shows that leading members are not putting their money where their mouth is. —The Times of India (New Delhi).

Sarajevo: A Bold Visit None Could Ignore

By Jim Hoagland

WASHINGTON — "This showbiz," as one French friend derisively asserts? Or a heroic, moving gesture, as others in Paris say? This time, conventional French wisdom has it right. President François Mitterrand's bold journey to Sarajevo was a grand geste on a historic scale. Whatever his intentions — they are never easy to divine — Mr. Mitterrand deserves great credit for bearing witness for the world community in the midst of the slaughter of Sarajevo. He did not go to negotiate or resolve the crisis. The meaning of his trip lies in the fact that he went at all.

Trying to nail down Mr. Mitterrand's motivation even on simple acts is an exercise in futility. He is as elusive as dew on a rose. In Michel Jobert's apt, decade-old description, Mr. Mitterrand's close associates do not try to predict what he will do or explain afterward why he did it. That is why they have remained close to him.

don a bullet-proof vest on the Sarajevo runway. But Mr. Mitterrand is again consistent, if only in his own terms. His Lone Ranger act forces Europe to confront the divisions that have allowed a medieval siege to take place for months in 20th century Europe. His trip shames his partners, a week before the Group of Seven meeting opens in Munich, into moving closer to intervention of some kind to stop the Serbian rampage.

Iraq Puts the 'New Humanitarian Order' to the Test

By Larry Minear and Thomas G. Weiss

PROVIDENCE, Rhode Island — A showdown is at hand between Iraq and the United Nations. Arrangements governing UN humanitarian activities in Iraq expired at midnight Tuesday. Given the UN's reluctance to maintain its personnel in a country against the government's wishes, the future is uncertain for about 600 UN aid personnel and 500 blue-capped UN guards who have provided symbolic protection.

threat to international peace and security and insisted the government provide international access to civilians. UN officials moved quickly to negotiate with Baghdad a framework within which international personnel, with government consent, would aid Kurds in the north and Shiites in the south. As a result, Unicef, the World Food Program, the UN High Commissioner for Refugees, and other UN-associated and private relief efforts were able to proceed apace.

difficult to ensure without the consent of the authorities, unless backed by military force. Or would the world's vulnerable populations be better served by humanitarian action thoroughly divorced from political objectives? That is, can UN-orchestrated humanitarian assistance be more thoroughly insulated from the world organization's political agenda in order to minimize the potential backlash?

Life in a Zoo or a Jungle?

By Milos Forman

NEW YORK — The metaphor that emerges from the recent elections in Czechoslovakia transcends the borders of that small country and applies to all former totalitarian societies, including the Soviet Union. Here in the West, we realize that we live in a jungle, a dangerous and unpredictable but exciting place of vivid colors and endless varieties of life, and we tend to forget that people in the former Communist bloc had, for 40 and more years, lived in a zoo.



Havel's Tenuous Hold

Both of these ideas sound in intriguing, but can nature operate this way? Can God's plenty survive in such an environment? In Czechoslovakia, the Czechs voted for the jungle, while the Slovaks voted for the zoo. It is clear that a compromise is impossible.

The Anti-Abortion Forces Met the Majority and Lost

By Kathleen M. Sullivan

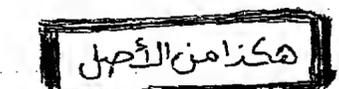
CAMBRIDGE, Massachusetts — When Roe v. Wade came down in 1973, holding that women had a fundamental right of access to abortion, its opponents launched two offensives that persist to this day. The first was to appoint to the Supreme Court conservative justices who would overrule Roe, leaving the controversy to the winds of politics rather than law. The second was to enact legislation cutting back on abortion rights as much as possible.

wives' keepers and may not be given veto power over pregnancies. No woman seeking an abortion may be sent to jail or relegated to butchery in back-alley botch jobs. Nor may a state place any other "undue burden" or "substantial obstacle" in the path of a woman seeking an abortion.

take. Constitutional protection exists precisely for what is too precious and fragile to be left to politics. Whatever the polls might say, a woman's right to control her reproductive life is such a matter. So abortion is not the only constitutional issue in politics this year. As Justice Blackmun has reminded us, so is the Supreme Court.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO 1892: Tactical Gladstone PARIS — Mr. Gladstone, the Grand Old Man of English politics... 1942: Axis Units Surge CAIRO — [From our New York edition:] Swiftly attacking Axis armored columns lunged toward June 30 past Daba, 100 miles west of the British naval base at Alexandria... 1917: A Dawn Landing A PORT IN FRANCE — A fine dawn, with a placid sea thinly veiled in a summer mist slashed by the sun's rays, revealed the Stars and Stripes arrayed off the French coast on Tuesday [June 26]. The first convoy com-

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OPINION

Is Rabin Ready to Roll Up His Sleeves and Clear the Brush?

By Amos Perlmutter

WASHINGTON — The Israeli election results can be interpreted in two ways as a triumph for Labor and Yitzhak Rabin, or as the final failure of Likud, its policies and bankrupt revisionist ideology.

Second, he faces the daunting task of reforming Israel's moribund economy, which is anchored in its unresponsive state institutions.

Likud were the right man and party for the times. His peace with Egypt and the destruction of the Iraqi nuclear reactor were decisions by a leader who was the right man to defy the Assads, the Arafats, and all the Arab terrorists.

Two-Sides-of-the-Jordan Erez Israel ideology was finally and decisively rejected by the Israeli electorate — hopefully for good.

or Rabin-Shamir, Shamir-Rabin. In order to capture the Soviet Jewish vote for the future (their number could reach a million by the year 2000), Mr. Rabin has to embark on social and economic reforms.



'92 Is Trying to Tell Us Something

By David S. Broder

WASHINGTON — The sound you heard, the strange light in the sky, no, it's not the Batplane. The Danes were omening breaking out all over.

hook caught in the recession. The biggest omen of all is what happened to Dan O'Brien, the defending world champion in the decathlon, in Saturday's trials for the U.S. Olympic team.

Israel's 'Friends' Might Rethink Some Bad Habits

By A. M. Rosenthal

NEW YORK — Consider: Later this summer, a free election will be held in an important Middle Eastern Muslim state, under the rules of parliamentary democracy.

The opposition will win on a platform of peace through major concessions to Israel and an end of Jewish terrorism.

greater American interests that lie in the difference between democracy and dictatorship. Democracy makes for peace, dictatorship for war.

At City Hall in New York a few months ago, Mayor David Dinkins gave a breakfast for Mayor Teddy Kollek of Jerusalem. They like each other. Dinkins read from the Bible: "Pray for the peace of Jerusalem: They shall prosper who love thee."

LETTERS TO THE EDITOR

Start With Volunteers

Joseph Fitchett's June 22 report on the recommendations of Robert Blackwell for a corps of experts to help run government and business in the former Soviet Union is worthy in its implication of all-too-traditional top-down thinking.

Widen the Bank's Role

Regarding "Will the World Bank Invest in Us?" (Opinion, June 10): The three suggestions to the new World Bank president, Lewis Preston, proposed by legislators from the United States, Britain, Japan and Germany are on target.

Just Ask Henry VIII

Regarding "Wasn't the Monarchy Supposed to Be About Stable Marriage?" (Opinion, June 17): How odd that Anthony Burgess should claim that "the British monarchy depends for its authority on the stability of its marriages."

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Solution to Puzzle of June 30

Grid puzzle solution with words like SEPAL, POOL, MAMA, BRODE, RILE, ABEL, INTERCOLLEGIATE, REEL, OTEA, ALTER, NEEDED, ATTEST, ACT, DEC, PIER, BRAINSTORM, APD, AETNA, OPE, DIANA, SEEP, FRATERNITY, AVIS, ERI, NOS, YEETER, SNAPUP, ARNIE, MIST, RIGS, INTERNATIONAL, LIEN, OLIO, ORLES, SERT, TENN, RESIE

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STAGE/ENTERTAINMENT

Summer Movies: Popcorn Characters

By Vincent Canby
New York Times Service

NEW YORK — It's not easy to evoke "Wayne's World" either the delirious five-minute accumulations of nonsensical became a weekly segment on "Saturday Night Live," or the spin-off, Penelope Spheeris's sweetly mad theatrical film that, according to the latest Variety, has so far earned \$117,592,110 in the United States and Canada.

"Wayne's World," about two aging young men and their public-access television show, is not only one of the biggest hits of the summer season to the United States, but it's also a seminal entertainment.

It somehow manages to celebrate the new style of nearly illiterate movie that it is simultaneously sending up. Or, as someone in the movie describes the public-access television show within, "I think it's two chumps on a davenport in a basement."

Nothing really happens in the film. Wayne (Mike Myers) and Garth (Dana Carvey), teenage suburbia's idea of cool made manifest, are approached by a big-time television operator who promises them national exposure for their show, but at the expense of their artistic integrity.

They refuse and, after they hang out, pick up girls and attend an Alice Cooper concert, the movie ends, not once but three or four times.

Not being able to make up its mind how happy the ending should be, the movie offers some alternatives.

"Wayne's World" was, in fact, written (with a good deal of wit by Myers, Bonnie Turner and Terry



Michael Douglas, Sharon Stone in "Basic Instinct"; Dana Carvey in "Wayne's World."

Turner), but it pretends to be tongue-tied and spontaneous. It is very funny in short, disconnected takes.

"Garth," says Wayne to his love-sick pal, "marriage is punishment for shoplifting in some countries."

More important, the film makes a comic virtue of the same kind of slapdash approach to film structure that is accidentally built into most of the other big releases of the summer.

It's possible that audiences today do not necessarily expect the clearly defined beginning, middle and end that heretofore have shaped movie narratives. In this era of sequels, movies stop without ending — they don't have to. The story will resume next year. Further, since television makes it possible for us to live in a virtually nonstop continuum of entertainment, we make fewer de-

mands on the individual segments. Whatever the reason, the quality of the writing in this summer's movies has not been great. With the exception of "Batman Returns," "Wayne's World" and perhaps Paul Verhoeven's "Basic Instinct," which is riveting largely because of its male-wild-mean streak, almost all is big major motion pictures.

If "Houseguest" disappoints, it's not only because Steve Martin is choosing to play it lovable again, but also because the screenplay, like the Martin character, is so mild and tentative.

"Sister Act" can be welcomed as being Whoopi Goldberg's first big hit comedy. Yet there's something both slightly bigoted and out-of-date about the way the film works.

It places Goldberg, playing a second-rate lounge singer who has

witnessed a mob killing, in protective custody in an all-white convent whose nuns are rebrands out of "The Bells of St. Mary's" and "The Trouble With Angels" (which wasn't super when Rosalind Russell did it).

Emile Ardolino, the director, updates the language and the action a bit, but not grossly. His is a firmly middle-of-the-road comic sensibility. At one point he has Goldberg teach the choir how to sing a sort of white-gospel version of "My Guy," meaning Jesus. "Sister Act" soothes in a sticky way. Bring back "Nuns on the Run."

When you watch Richard Donner's "Lethal Weapon 3," you realize how much movie writing has had to adjust to accommodate contemporary audience tastes. Jeffrey Boam and Robert Mark Kamen

don't write new characters, but new material for characters originally created by Shane Black.

In addition, they must write material for those characters to play in concert with the action, which is bigger and more expensive than both Mel Gibson and Danny Glover.

The action is so improbable and so difficult to shoot that it seems inconceivable the writers could even have dreamed of it without the initial cooperation of the special-effects people. That's writing?

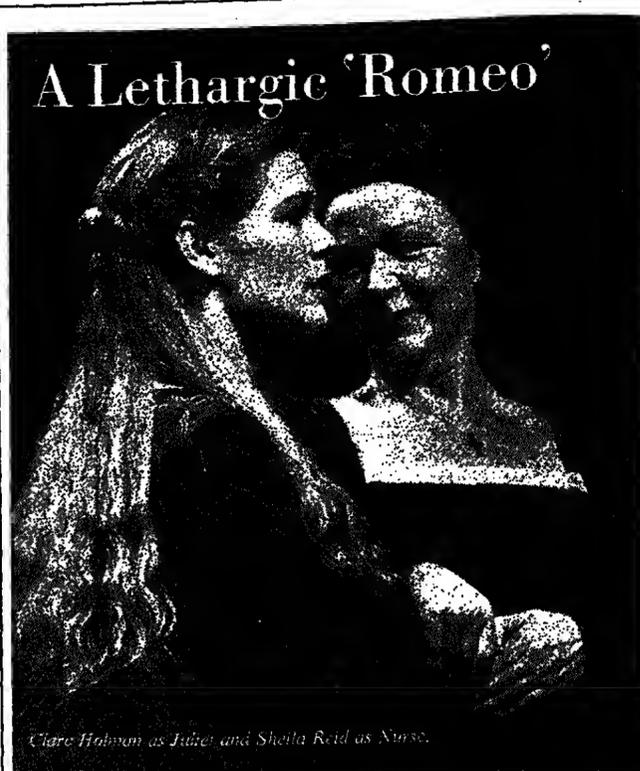
It is today and it pays off at the box office, as Phillip Noyce's "Patriot Games" also demonstrates. This film, written by Peter Liiff and Donald Stewart, is all plot.

The public personalities of Harrison Ford, Anne Archer, Sean Bean and Richard Harris supply what characterization is needed.

The screenplay is a blueprint for the action sequences, which come along at such predictable intervals that you know exactly when to go for popcorn without missing anything.

The most oddball of the big summer movies may also turn out to be one of the summer's bigger flops, which is too bad. Ron Howard's "Far and Away" means well. It's supposed to be a nice old-fashioned romance with both comic and melodramatic peaks. Unfortunately, neither Howard nor Bob Dolman, who collaborated on the screenplay, has any idea how to create that kind of film.

The movie has no sweep. It's a series of small encounters against big landscapes. The members of the paying audience with which I saw it giggled loudly when the movie tried to persuade us that Tom Cruise, their megastar, was dying. They could recognize a popcorn moment when they saw it.



Clare Holman as Juliet and Sheila Reid as Nurse.

By Sheridan Morley
International Herald Tribune

LONDON — The David Leveaux revival of "Romeo and Juliet," which opened at Stratford last September to some of the worst reviews of an already shaky 40 stage season, comes now to the Barbican with 40 minutes meticulously shaved off its original four-hour running time and some changes of casting, notably for Tybalt and the Prince of Verona.

But many of the principal problems remain, primarily a lack of focus and a couple of role-players who seem rather too mature for the first ecstasies of teenage romance. Nor are Michael Maloney and Clare Holman able to deliver much of a passion; both strong and able players, they have a coolly reserved detachment which makes it hard to understand how they got caught up in this disastrous romance in the first place, let alone how they managed to let it and themselves disintegrate into a botched suicide pact.

"Romeo" needs, if it is not to sink into the lethargy of overfamiliarity or a vague audience longing for "West Side Story," to have either two intensely potent central performances or else a clear idea what the director wants us to know of the play. Here there is none of that, just a faintly staid supporting cast fighting out the street battles and parental disputes against Alison Chitty's superbly paneled setting.

It has become the fashion for artistic directors at Stratford to bemoan the lack of verse-training among the younger ranks of their companies, the result of economic cutbacks in Shakespeare at regional theaters and drama schools. But there is another and still greater company problem, which is the severe shortage of good character actors willing to step themselves away from television and the movies for a couple of years with the RSC.

As a result, the Capulets and the Montagues here are pale and oddly irrelevant figures, unable to convey the depth or the intensity of their family squabbles and therefore to give us any real insight as to what is going on in the two households. Sheila Reid sketches in a pecky Scots nurse, and Tim McInerney gives us a fine, psychopathic Mercutio, overbearing but when playing out a real-life death scene that his relatives and friends assume to be just another of his black charades.

But there is no real center to the production, and those innovations as there are (such as having an imaginary Juliet wandering through the streets of Mantua as if to warn Romeo of the awful failure of communication that is to lead to both their deaths) seem tentative, as though Leveaux even now does not have the full measure of his company or the play itself.

At Sadler's Wells is the return of "The Sound of Music," not to be confused with "The King and I". Both are by Rodgers and Hammerstein, both concern governesses coming to dictatorial fathers and winning over first their children and then their hearts. Both projects were also brought to the composers by actresses who had seen early nonmu-

LONDON THEATER

sical versions of the subject: Gertrude Lawrence brought "Anna and the King of Siam," Mary Martin brought "The Trapp Family Singers."

But a decade separates the two shows; and "The Sound of Music" (now in a Wendy Toye revival at Sadler's West) is a more exhausted score, not least because Oscar Hammerstein was very close to death at the time he wrote it. Initial Broadway reaction was very muted, probably because of the highly diabetic quality of the material, and it wasn't until Julie Andrews took it on location to Salzburg that it became the greatest movie musical hit.

Yet, seen now, back on stage at the Wells, it holds up remarkably and surprisingly well. Toye's production has none of the cardboard-set toning lackiness of the last Petula Clark revival, and Liz Robertson makes for a fine if rather English girl scout Maria. Christopher Cazenove makes of the Captain a figure considerably less wooden and more charming than usual.

There is also the problem of those Hammerstein lyrics: Maria comparing herself to "a lark who is learning to pray" has always worried me, implying some curiously feathered seminary for trained lark popes. And yet the old Broadway magicians knew what they were about. "The Sound of Music" leaves no mountain unclimbed, no tear unshed, no child unloved: it is wall-to-wall sentiment, written in such a way as not just to tug at the heartstrings but to tie them in little knots.

Extra! New Excess in Las Vegas, and It Works

By Richard Perez-Pena
New York Times Service

LAS VEGAS — In a city where 000 is a sacrament, it takes a lot to get noticed.

Two new behemoth hotel-casinos — the Excalibur, a sort of Camelot on steroids, and the Mirage, with its pine-cold-scented volcano outside — moved to the head of the must-see list in the last two years, taking a little luster off the town's older landmarks like Caesars Palace.

Hence, the Forum Shops, 240,000

square feet (about 22,000 square meters) of flash, trash and cash that represent Caesars Palace's bid to return to the head of the line. An indoor amusement park masquerading as a shopping mall from ancient Rome, it opened last month and is already the talk of the Strip.

"Everybody goes there, but nobody buys," said Bill Robins, a cabby. "Who can afford that stuff?" Nevertheless, the high-price-tag stores in the Forum Shops are jammed.

Good is there, as are Louis Vuitton, Ann Taylor and Gianni Versace, with the restaurant Spago expected later this year, but these can

all be found elsewhere. It's the talking statues, the faux sky or the vaulted ceiling, the colonnades and enough marble to build a small town that make this a uniquely Las Vegas spectacle.

Entering from Las Vegas Boulevard, shoppers are greeted by ersatz cretations and step onto a Roman street as Cecil B. De Mille might have imagined it, with colonnades and statuary at every turn. Deeper into the mall, the floor becomes more grandiose and the stores and restaurants more expensive, until Forum Shops opens onto the Caesars Palace casino. The toniest shops are situated to relieve lucky gamblers of their winnings.

In a piece of crowd herding that would have made P.T. Barnum proud, visitors can enter the Forum Shops from the sidewalk, but can exit only through the casino.

Every hour or so, a crowd gathers, video cameras whirring, at the Festival Fountain. A glowering sky streaked with lightning appears on the domed ceiling, and the statues in the fountain begin to move and speak.

In the center sits Bacchus, raising an immense cup of wine and looking much like Rodney Dangerfield in a toga. "Come one, come all, come forth from the mall," Bacchus cries, at which point his huddles Apollo, Plutus and Venus come to life, too. Much merriment ensues.

Melvin Hunt, 71, a retired cattle rancher from Colorado, who was taking suspects, said he had heard tales of a fountain even before starting on the two-day drive to Las Vegas. His wife, Janis, said: "I heard so much about it, I just had to see it. Can you believe all this?"

Past the robotic revelers lie the sort of shops that can make a credit card company's day. Customers wander into Porsche Design for that crucial pair of \$300 sunglasses or the Museum Company for art-object replicas of Egyptian scarabs and Tiffany glass.

Near an enormous fountain, complete with figures of Neptune and winged horses rising from the water, the Muntaur's Forum Gallery had a special exhibit and sale of boating art, in honor of the Evander Holyfield-Larry Holmes bout, which took place at Caesars on June 19.

WITHIN sight of the Caesars roulette wheels in this, the mall's high-rent district, only the Warner Brothers Studio Store betrays a sense of humor about its surroundings.

Ducks Bunny, Porky Pig, Daffy Duck, Sylvester, Wile E. Coyote and the Tasmanian Devil, all in Roman garb, stand guard above a sign that announces the "Warnerius Fraternalis Studius Storius."

The Forum Shops was designed by Terry Dougal of Dougal Design Associates of Los Angeles. Melvin Simon, a spokesman for Indianapolis and the Gordon Company of Los Angeles built and operate it.

Caesars, which had the original concept for the project, leases the land to the developers and collects a percentage of the rents paid by the tenants.

The Caesars management hoped to create a symbiosis between the mall and the hotel. The casino, which is visited by 11 million people a year, provides a ready clientele for the Forum Shops, which in turn draws more people into the casino.

The strategy works, as demonstrated by the Hunts, the retired from Colorado. They said they had come to the Forum Shops just to look, because of course everything was too pricey for them.

Yet, they had already eaten lunch in the mall, had bought two T-shirts and a bag of candy for their grandchildren, and planned to stop at a blackjack table before leaving.

"This place is kind of overdone, maybe a little tacky," Mrs. Hunt said. "But it's elegant, too, you know?"

In some places that would be a contradiction. In Las Vegas it's just good business.

American Family Values? Not on Late Night TV

By John J. O'Connor
New York Times Service

NEW YORK — Looking for a date? Problem with nail fungus? How about plugging into a personal psychic? Hang around after the late-night news and commercial television in the United States will do its best to satisfy you, preferably with a strategically placed tickle.

What used to be the almost exclusive preserve of talk shows and old movies is increasingly becoming a showcase for what are called relationship shows, their winning suggestiveness carried over to commercial breaks. Sponsored by formats like "The Dating Game,"

these new shows merely up the prudence ante as men and women, usually under 30, engage in assorted mating games intended to elicit whoops of knowingly naughty endorsement from studio audiences.

Guests say things like "I took one look! Wow! Hot!" and the place falls apart. Any mention of a great butt brings on pandemonium. At a time when presidential candidates are stressing family values, sometimes to the point of absurdity, these very family values are not an urgent priority on late night TV.

The scene begins heating up each week night at 11:30 p.m. with "Studs," apparently a big hit for Fox Broadcasting. As the youngest network, Fox wears outrageous vulgarity almost as a banner of

pride. The new scene continues, however, on CBS, which once, in its aspirations to quality and taste, liked to be known as the "Tiffany network."

Now, at 12:35 A.M., Channel 2, the CBS flagship station in New York, is offering "Personals," and then at 1:05, "A Perfect Score." Neither show has anything to do with lofty aspirations. "Studs" takes a straightforward approach to matching up what the host, Mark de Carlo, calls his "studs and studettes." Three women and two men are sent on dates and then have to guess who said what about each other. Let it be suggestive, and the audience goes wild.

The rules differ on the other shows, but the point remains the same. A connection be made and, stay tuned, will it lead to sex? A veil of coyness is normally drawn over the ultimate revelation, but not before the audience gets the unmistakable message and still another opportunity to squeal with satisfaction.

The hosts, all male, set the overall tone, pushing and pulling their guests into the leeringly obvious and, not infrequently, almost painfully humiliating. This clearly isn't a terribly rewarding occupation, and occasionally the strain shows. De Carlo has a habit of throwing his cardboard-heart props at his guests with a touch more hostility than is absolutely necessary. At one point last week, he even flung one at the camera.

On "A Perfect Score," genial Jeff Madler takes every opportunity to impress on viewers that he is normally a stand-up comic and, if need be, doesn't have to do this for a living.

And over on "Personals," Michael Burger can get visibly edgy when exploring a guest's philosophy ("Life is definitely a participatory sport," said one male model). He doesn't even have much patience for viewers at home, reminding them frequently that they can call the show ("Come, break out a buck or two and have a little fun") and promising that "somebody will take your little call and listen to your little whine."

Telephone calls are, incidentally, a key element in the total experience of these shows. Viewers of "Personals" and "A Perfect Score" are urged to call if any of the people on the show, presumably including host and guests, "pique your interest."

What you can possibly get at the other end of the line, inasmuch as these shows are taped weeks and months earlier, is over spelled out. Proceed at your own risk.

Then, during the commercial breaks, the standard spots for nail-fungus treatments and body-building centers are heavily supplemented.

Some of its pending daytime fare. Perhaps on "Christina," weekdays at 9 A.M., men will offer their opinions on women enlarging their breasts, and "Inside Edition," weekdays at 4 P.M., promises a segment entitled "Rebirth of a Porn Star."

Philosophical question: Can participatory sport become hard-core? Get that "Personals" guy on the phone.

TORONTO — The strains of a funeral dirge may ring out on Wednesday for Canada's largest orchestra, The 101-member Toronto Symphony Orchestra plans to file for bankruptcy protection despite its members' acceptance of a more than 15 percent cut in salary.

The orchestra will post a \$3.7 million (\$3.1 million U.S.) deficit by its Aug. 31 fiscal year-end. Management told orchestra members it could not stay afloat unless they accepted a three-year contract that includes a cut in the 1992-93 season to 42 weeks from 50 weeks.

with ads for phone services supplying anything from a personal psychic to, it would seem, heavy breathing.

"Have you never had anyone to confide in and trust?" murmurs one. "Try a way that's objective, caring and private." Another commands: "Let's talk it over right now. You'll feel better." Still another, opening with a cusp of a tongue flicking out from between lipstick-glossy lips, pulls back to reveal three rather big women fighting to see which one will presumably be lucky enough to answer your call.

Prices generally range between \$2 and \$5 a minute. Someone does warn that the caller has to be over 18.

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Toronto Orchestra Faces Bankruptcy

Revers

TORONTO — The strains of a funeral dirge may ring out on Wednesday for Canada's largest orchestra, The 101-member Toronto Symphony Orchestra plans to file for bankruptcy protection despite its members' acceptance of a more than 15 percent cut in salary.

The orchestra will post a \$3.7 million (\$3.1 million U.S.) deficit by its Aug. 31 fiscal year-end. Management told orchestra members it could not stay afloat unless they accepted a three-year contract that includes a cut in the 1992-93 season to 42 weeks from 50 weeks.

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MEDIA MARKETS

Reebok Entry Stumbles In Olympic Ad Games

By Stuart Elliott

NEW YORK — Never mind the running, jumping and swimming scheduled for the Olympic Games in Barcelona. All eyes are now on the scrambling, ambushing and maneuvering by Olympic advertisers, and the most notable event could be called the Reebok mad dash.

Reebok International Ltd. is merrily reworking its \$30 million Olympic ad campaign to recover from the failure of the death-throated Dan O'Brien to qualify for the U.S. team. He fluffed three attempts at the pole vault at Saturday's trials.

Since January, broadcast advertising from Chiat/Day/Mojo Inc. in New York has promoted a Reebok-sponsored juggle match between Mr. O'Brien and a rival, Dave Johnson, to decide who is "the world's greatest athlete."

The pitfalls of basing an important ad campaign on athletes.

"To be settled in Barcelona," the advertisements and billboards promised. "Well, it's back to the starting blocks for Reebok. 'You've got to roll the dice,'" said Chip Campbell, president of International Sports and Events Strategies, a marketing firm. "Sometimes it works out perfectly; sometimes it doesn't."

Mr. Campbell's comments pointed up the pitfalls of basing an important advertising campaign on athletes, whose injuries and other problems can disrupt plans.

It was the third time in little over a year that a sport star's difficulties generated intensive coverage of the impact on his advertising career. In that dubious category, Mr. O'Brien is joined by the injured baseball and football player Bo Jackson and Magic Johnson, the basketball star who tested positive for the virus that causes AIDS.

David Ropes, the vice president of worldwide advertising, insisted that Reebok had contingency plans based on one athlete not making it.

HE SAID Reebok would resume advertising during NBC's coverage of the Olympics July 25 through Aug. 9, and a one-shot commercial to "reinforce our support of Dan" might appear before then. There is speculation that Mr. O'Brien might assume the role of "Dave's biggest fan," saying, "You've got to carry on for both of us."

Mr. Ropes, of course, had to be optimistic. "Let's come back to the premise of advertising," he said, "to raise your share of mind, your share of voice, with the consuming public that is bored with most advertising."

"Have we done that?" he asked rhetorically. "Every paper in America today has the story, and most have 'Reebok' in the headline."

The campaign has already succeeded in its primary purpose, Mr. Ropes asserted, which was to establish Reebok as a force in track and field, now dominated by the larger Nike Inc.

Athletes usually find that their sales value disappears when their career hits a bad bump. The Washington Post noted, "PepsiCo Inc. quietly ended its association with Mike Tyson after the boxer was accused of beating his then-wife, the actress Robin Givens, in 1988."

The Canadian sprinter Ben Johnson lost an estimated \$10 million in endorsements after a steroid scandal forced him to give up the world record and gold medal from the 1988 Olympic 100-meter race.

In 1989, the baseball player Jose Canseco of the Oakland Athletics was dropped as an endorser by the California Egg Commission after he was arrested on charges of carrying a loaded gun in his sports car.

Nike Inc., American Telephone & Telegraph Co. and PepsiCo Inc. shelved commercials featuring Mr. Jackson when his baseball and football careers were prematurely ended by a hip injury.

Mr. Campbell was among a number of executives not yet seen REEBOK, Page 13

Ruble Reform: Tough Talk, Easy Terms

By Steven Erlanger

MOSCOW — July 1 has been billed as the dawn of an ambitious second stage of Russia's economic reform, including, most importantly, a single exchange rate for the battered ruble. But considerable confusion envelops the real status of the reforms, with the crucial first stage — simply stabilizing the economy — not yet accomplished. The government is continuing to

NEWS ANALYSIS

struggle with an obvious dilemma: How to limit credit to state enterprises while not forcing them to lay off thousands of workers.

With a steady series of credits being issued by the central government to these huge, unformed industries, swelling the budget deficit, and an inability thus far to control credit being issued by other, now-independent countries using the ruble, the Russian economy is continuing to overheat. Inflation is running at a rate of above 1,000 percent a year.

That makes it difficult to stabilize the ruble, let alone make it fully convertible, and it puts the International Monetary Fund, as a negotiating agent for Western aid, in a hazardous position, senior Western economists and diplomats say.

The problem is not a lack of commitment on the part of President Boris N. Yeltsin or Acting Prime Minister Yegor T. Gaidar. But their efforts at stabilization have been slowed or

stymied by conservatives in the Russian parliament and Russian Central Bank, creating a constitutional crisis about where economic authority really lies.

Mr. Yeltsin has been forced to pay more heed to managers of large state enterprises who fear radical change and massive unemployment, and even a new bankruptcy decree is designed to allow companies more time, and more subsidies, before they must become profitable.

As Mr. Yeltsin is trying to balance political survival and economic reform, the IMF is also trying to balance its financial credibility against political pressure from Western governments eager to be seen to "do something for Russia" before a summit of the major industrialized nations in Munich next week.

Western officials are confident the IMF will approve some kind of reform package for Russia, allowing a \$24 billion package of aid and loans to begin. The IMF has already announced a \$1 billion advance as a gesture of good faith. But a final agreement on economic targets for Russia, still under fierce negotiation, is likely to be much less rigorous than the IMF desires.

Still, Western officials say, the recent Washington summit meeting and coming Munich one have "concentrated minds" and reinvigorated microeconomic reform, stalemated for nearly two months.

Most important, the varying rates of exchange for the ruble are to be unified, with the ruble allowed to float against the dollar. But

with the ruble selling Tuesday at 144 to the dollar — far from the 80 rubles officials hoped for this spring — Mr. Gaidar has said full convertibility will not be in place until at least the end of this year, and that is considered very optimistic.

Alexei P. Vavilov, first deputy finance minister, said Tuesday that the unified rate will begin July 1 at 125.26 rubles to the dollar — a market average over the last month — until the next interbank dollar auction on Thursday, when the ruble will float. The first few days of trading will be an important test not only of the currency, but of the government's ability to prop it up.

The rules under which Russian companies sell their hard-currency export earnings to the government will also change. Fifty percent of these earnings must still be sold to the government, but now at the prevailing market rate, instead of an artificially low price that acted as a hidden tax and gave the government cheap hard currency.

This change will work to eliminate the subsidy on hard-currency imports resulting from the government's cheap access to hard currency, which it then used to buy needed Western goods, grain and spare parts for inefficient state industries. The result is expected to be higher, more realistic prices for goods produced domestically.

"The reforms will be slow, and not at an IMF cookie-cutter pace, so get used to it," one Western diplomat said. "But they'll move forward."

Russia Clears Plan to Foster Privatization

By Margaret Shapiro

MOSCOW — The cabinet of President Boris N. Yeltsin approved on Tuesday a broad program for the next stage of economic reform, which would privatize much of the state sector within the next few years and dramatically reduce the government's role in the economy.

The program said the government would strengthen the monetary system, presumably by keeping credit tight, and make the ruble internally convertible by the beginning of next year, a slower process than the government and its western advisers such as the International Monetary Fund had wanted.

Also on Tuesday, the Russian Central Bank announced it was setting one exchange rate for the ruble of 125 to \$1, instead of several different rates now in effect which have been a disincentive for foreign investment.

The single exchange rate, which takes effect Wednesday, is a key step toward bringing the ruble closer to the real market value of the currency, which is now trading at 144 rubles to the dollar, according to the new Moscow Interbank Currency Exchange, Agence France Presse reported from Moscow.

The 260-page economic program endorsed by the cabinet marks the beginning of the second stage of transforming Russia into a capitalist country and revitalizing its economy.

One of the main goals of the three-year plan is to get inflation, now running at around 1,000 percent annually, under control.

All small industry, foreign trade and consumer services and a "substantial part" of living quarters must be fully privatized by 1994, news agencies said. About a third of the medium and large enterprises will be privatized in the same year and about a half by 1995.

The Inter-Tass news agency said this would create the necessary "critical mass" of privatized companies to ensure that movement toward the free market would not reverse. The Izvestia newspaper said the government intended to reduce the state share of economic production to 40 percent or less within three years.

German Exit: Mixed Blessing for Fighter

By Erik Ipsen

LONDON — The decision Tuesday by Germany to pull out of the four-nation European Fighter Aircraft program will have a profound but surprisingly mixed impact on the program, analysts said.

"It is regrettable, but on the other hand the Germans pulling out reduces the costs by having three partners instead of four," said Howard Wheelodon, an analyst with Daiwa Institute of Research in London.

Like many aircraft programs before it, the fighter will use components from different countries. British Aerospace PLC will, perhaps appropriately, manufacture the right wing, while the left will be the province of Italy's Alenia and Spain's Construccion Aeronautica. Germany's Daimler Benz AG was to contribute the fuselage.

Unlike any other aircraft, however, this one was also slated to be assembled on four identical assembly lines in four separate locations. "It is a completely crazy way to build an aircraft," said Mark Harvey of London's Royal United Services Institute. He noted that tool-

ing up four assembly lines where one would, in all ways but political, suffice, had added significantly to EPA's costs. Reducing this to three assembly lines with Germany's withdrawal, specialists said, marks a step in the right direction.

The great threat posed by the German withdrawal, however, is that Spain and possibly even Italy will follow Bonn's retreat. Even the British now acknowledge a need to reconsider things.

Before the German announcement, Prime Minister John Major told parliament that given a German exit "we will need to discuss the future with our Spanish and Italian partners."

For the three remaining partners Germany's absence will now mean that they must shoulder a greater percentage of the production costs while at the same time forgoing the certainty of large-scale German orders for the fighter.

Some aviation authorities already question British Aerospace's claim that the group need only sell 40 planes to break even. Mr. Wheelodon estimated the breakeven figure could be as high as 900 aircraft.

There has also been considerable skepticism over British Aerospace's claims that the fighter can be produced at a cost in the range of £21 to £23 million (\$40 to \$44 million) a copy. Even with the cost savings of having three assembly lines instead of four that figure may lie on the low side.

Many observers said Eurofighter's costs were almost certain to soar by the time it actually takes to the air in 1997. Some recall Euro-

pe's fiasco of more than 20 years ago with the Concorde — a supersonic altoblast that proved nearly 20 times as expensive to build as was originally forecast.

The Germans, too, have repeatedly criticized the fighter as being too expensive, and did so again Tuesday, calling for a new, less pricey plane. But industry analysts pointed out that the research and development for the Eurofighter

See FIGHTER, Page 12

Gallois to Replace Martre as Aerospatiale Chief

By Roger Cohen

PARIS — Henri Martre, who led the French state-owned Aerospatiale to a prominent position in the world aerospace industry and fiercely defended the group against U.S. criticism, is stepping down as chairman, the company said Tuesday.

A spokeswoman for Aerospatiale, which owns 37.9 percent of the European Airbus consortium, said he would be replaced by Louis Gallois, 48, the chairman of Snecma, a state-owned maker of airplane engines.

Mr. Martre will be 65 next year, the age limit for executives in state companies. According to analysts, there was no reason to believe that other factors had played a part in his departure.

The changeover comes at a time when the protracted dispute between the United States and Airbus, in which Aerospatiale is the largest single shareholder along with Deutsche Airbus, appears to have reached a tentative resolution.

Last April, officials said the dispute, centering on U.S. allegations that Airbus has stolen business through unfair state subsidies, had been settled by an outline accord.

The agreement has not been ratified, but a U.S. economic official in Paris said "things are still going in the right direction."

Throughout the dispute, Mr. Martre, who had headed Aerospatiale for a decade, argued vigorously that U.S. aerospace companies such as Boeing Co. were indirectly subsidized by orders from the Pentagon and the U.S. space program.

Analysts said Mr. Gallois, who worked in senior posts in the defense and industry ministries before joining Snecma, was unlikely to change in any substantial way the policy or direction of Aerospatiale.

CURRENCY RATES

Table with columns for Currency, Bid, Ask, and other financial data. Includes entries for Amsterdam, Brussels, Frankfurt, London, Madrid, Milan, New York, Paris, Tokyo, Zurich, and various European currencies like ECU and SDR.

Other Dollar Values

Table showing exchange rates for various currencies against the dollar, including Australian, Canadian, Hong Kong, Indian, Japanese, New Zealand, Singapore, Swiss, Taiwan, and others.

INTEREST RATES

Table showing Eurocurrency deposits for various currencies and terms, including 1-month, 3-month, 6-month, and 12-month rates.

Key Money Rates

Table showing interest rates for various financial instruments like 3-month Treasury bills, 6-month Treasury bills, and 1-year Treasury bills.

Asian Dollar Deposits

Table showing interest rates for Asian dollar deposits from various banks like Merrill Lynch, Citibank, and others.

U.S. Money Market Funds

Table showing performance metrics for various U.S. money market funds, including 30-day average yield and total return.

GOLD

Table showing gold prices in various locations like Hong Kong, London, and Zurich, including A.M. and P.M. prices.

Hughes Aircraft Plans To Cut 9,000 Workers

LOS ANGELES — Hughes Aircraft Co. announced Tuesday it would cut 9,000 jobs, or 13 percent of its work force, over the next 18 months, reflecting the shrinkage of the U.S. aerospace and defense industries.

The company, a unit of General Motors Corp., said it would close an undetermined number of facilities over several years. Hughes makes a wide range of missiles, communications and military satellites and radar.

Hughes said it would take an after-tax restructuring charge of \$749.4 million for the second quarter, or \$1.87 a share for Class B General Motors stock. More than 60 percent of the charge is related to the elimination of excess facilities and consolidations, while 20 percent reflects costs from layoffs.

Jack Modzelewski, a Lehman Brothers analyst, said Hughes could eliminate 7,000 to 8,000 jobs as a result of its acquisition of the missile business of General Dynamics Corp. The two companies have 16,000 missile workers.

Economic Growth in U.S. Looking Slow But Steady

WASHINGTON — The index of leading indicators rose 0.6 percent in May, the fifth straight monthly increase, the government said Tuesday, and analysts said the U.S. economy was likely to keep growing at a slow but steady rate.

Meanwhile, a private report showed consumer confidence in the economy slipped in June, following gains in recent months.

The increase in the leading indicators followed a revised 0.3 percent gain in April, which was first reported as a 0.4 percent rise. The May gain produced the longest string of increases since the six-month advance that ended in July 1991.

"It's a moderate increase," said Donald Rajatjick, who directs the Economic Forecasting Center at Georgia State University in Atlanta. "The positive thing is it shows the economy is not stalling out. Really what it is saying is we're not getting a normal recovery. But we are growing."

Analysts said the overall gain was consistent with forecasts of a recovery less than half as strong as that following the 1981-82 recession. The index then rose about 2 percent a month.

Five of the 11 indicators that comprise the index showed gains: sensitive materials prices, the average workweek, vendor performance, stock prices and the index of consumer expectations.

The remaining six indicators depressed index, with drops in manufacturers' orders for consumer goods and materials; money supply; contracts and orders for plant and equipment; manufacturers' unfilled orders, and building permits, and an increase in initial claims for state unemployment insurance.

Separately, the Conference Board said its consumer confidence index slipped to 71.7 in June from 71.9 in May.

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MARKET DIARY

Late Sell Programs Erase Stock Gains

NEW YORK — Stock prices closed mixed on the New York Stock Exchange Tuesday after a late barrage of computer-driven sell orders wiped out much of the day's gains.

The Dow Jones industrial average, which jumped 37.45 on Monday, fell 1.34 to 3,318.52, after spending most of Tuesday near 3,330.

In over-the-counter trading, however, the Nasdaq composite index was higher, rising for a second straight day after hitting a 1992 low Friday. The index rose 4.80, to 563.60.

On the New York Stock Exchange, advancing common stocks outweighed declining issues by a 3-2 margin, while about 195.6 million shares were traded, up from 176.7 million on Monday.

The Federal Reserve had better lower rates of the stock market is going to be in trouble," said Edward Nicotri, a managing director at Piper, Jaffray & Hopwood Inc.

The Chicago Purchasing Management Association said its employment index slipped to 45.6 from 46.1. Meanwhile, the Conference Board said its consumer confidence index slipped to 71.7 in June from 71.9 in May.

Investors are so focused on the June jobs report, due on Thursday, that they are not likely to be swayed much by any economic data that appears in the meantime, unless the figures are well outside of expectations, traders said.

The employment report is perceived as the one report that might persuade the Federal Reserve Board to ease credit, particularly in light of recent political pressures from President George Bush.

"The Fed is always conscious of the fact that they're in the limelight, getting blamed by both parties for the woes of the economy," Mr. Mammolito said.

On Wednesday, the National Association of Purchasing Management is to release its report on June business conditions, another indication of the economy's performance.

In London earlier, the dollar was higher, aided by short-covering after Monday's sharp drop. The dollar was trading at 1.5240 DM, up from 1.5188 DM, and 125.90 yen, up from 125.04 yen.

The U.S. currency also ended at 1.3725 Swiss francs, down slightly from 1.3730 francs, and 5.1245 French francs, up from 5.1185 francs. The pound edged up to \$1.9045 from \$1.9034.

Although some of the latest economic data showed signs that the economy is still struggling, that news did not weaken the dollar for long, traders said.

The Dow



Table of NYSE Most Active stocks, listing symbols, prices, and volume.

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Table of NASDAQ Diary, listing symbols, prices, and volume.

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Table of NASDAQ Diary, listing symbols, prices, and volume.

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Alcoa Cutting 2,100 Jobs Worldwide

PITTSBURGH (AP) — Aluminum Co. of America said Tuesday it would eliminate 2,100 jobs to streamline operations at its 21 worldwide business units.

The company said its second-quarter results will include an after-tax charge of \$40.6 million, or 48 cents a share, to cover severance costs, charge of \$40.6 million, or 48 cents a share, to cover severance costs, charge of \$40.6 million, or 48 cents a share, to cover severance costs.

Nearly a year ago, Alcoa announced a broad restructuring to increase the autonomy of its business units and emphasize customer relations.

Many of the hourly and salaried jobs will be reduced through attrition and early retirement, the company said. Alcoa, the world's largest producer of aluminum, employed 65,600 people worldwide at the start of 1992. Most of the jobs will be cut in the United States, where the company employs 36,000 people at about 50 locations, the company said.

U.S. Steelmakers Charge Dumping

WASHINGTON (AP) — U.S. steel producers filed 48 anti-dumping and 36 countervailing duty petitions Tuesday with the International Trade Commission, charging that steel companies from 21 foreign countries have been subsidized by their governments.

The producers said the practices caused "severe injury" to U.S. producers and the loss of thousands of American jobs. Included in the list are steel companies from Britain, France, Germany, Italy, the Netherlands, Spain and Belgium, Asia and South America.

Under U.S. complaint practice, the filings will oblige the ITC and the Commerce Department to investigate the allegations. The ITC has authority to impose duties if it finds that the alleged practices have caused material injury to the U.S. steel industry. The dumping contributed to losses of more than \$2.2 billion in 1991, the steelmakers said.

Time Warner Credit Rating Is Raised

NEW YORK (Reuters) — Standard & Poor's Corp. said it upgraded the credit quality of Time Warner Inc. to investment grade from below investment grade. About \$7.5 billion of outstanding debt is affected.

It said it raised the publishing company's senior debt to BBB-minus from BB and preferred stock to BB plus.

It also lifted the ratings on three subsidiaries: Warner Communications Inc.'s and Lorimar Telepictures Corp.'s subordinated debt was raised to BB-plus from B-plus and American Television & Communications Corp.'s senior debt to BBB-minus from BB.

UPI Staff Agrees to New Work Terms

WASHINGTON (AP) — The staff of United Press International has agreed to terms of employment proposed by the news service's prospective new owner, a UPI executive said Tuesday.

Steve Geimann, executive vice president and editor of the agency, said all employees but one accepted terms laid down by Middle East Broadcasting Ltd. in a memo last Friday.

While Mr. Geimann declined to discuss the terms, The Associated Press obtained a copy, which called for limiting vacations to two weeks and cutting sick-leave days to five from 10. Some employees now get five or more vacation weeks. Terms also included continuing the present rate of pay, which is 20 percent below the contract with the Wire Service Guild under an agreement with employees.

Panel Votes Curbs on China Trade

WASHINGTON (Reuters) — A House subcommittee approved Tuesday a bill to attach conditions to renewal of China's most-favored-nation trade status with the United States.

The bill is more narrowly focused than one approved by Congress last year but which was vetoed by President George Bush. It would target for sanctions only Chinese state-owned enterprises.

Under the bill, which was approved by voice vote by a House Ways and Means subcommittee, renewal of China's most-favored-nation trade status would be linked to human rights progress, missile nonproliferation and trade issues. But the subcommittee adopted a provision stating that an enterprise in China that is wholly foreign-owned would not be considered a state enterprise.

U.S. FUTURES

Table showing U.S. Futures: Grains (Wheat, Corn, Soybeans).

Table showing U.S. Futures: Metals (Copper, Silver, Gold).

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Table showing U.S. Futures: Eurodollars (3M, 6M, 9M, 12M).

Table showing U.S. Futures: Municipal Bonds (A, B, C).

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WORLD STOCK MARKETS

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Table showing World Stock Markets: Zurich, Johannesburg, Lima, Mexico City.

Table showing World Stock Markets: Lima, Mexico City, Santiago, Sao Paulo.

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Vertical advertisement on the right edge of the page, partially cut off, with text like 'Such a Deal' and 'New Russian'.

Such a Deal at the Zhiguli Lot

New Russian Cars Fetch Higher Price Used

By Louis Uchitelle
New York Times Service

TOGLIATTI, Russia — Outside the Zhiguli Trade Center, Russia's largest new-car dealership, there are throngs of loiterers. As car merchants, their specialty is to collar people who have just bought new cars and try to persuade them to sell on the spot.

Sometimes new-car owners are offered double the amount that they paid minutes before.

The free market has come to car sales in Russia, but in a form not easily recognizable in the West. There, the supply of new cars generally meets demand, so a car's value begins to fall the minute it leaves the dealer's lot.

In Russia, the government has allowed dealers to raise new car prices twentyfold since Jan. 1, but even at those prices, long waiting lists exist, and new-car value keeps rising after the dealer sale.

The American car market may be satiated, but here it is like a hungry dog; you throw it a new car and it gobbles it up," said Alexander G. Zibarev, a deputy director of the Vaz Auto Works, which manufactures the Zhiguli in this city on the Volga River. Similar in appearance to the Fiat, Zhigulis account for more than half the 700,000 new cars sold annually in the former Soviet Union.

The Zhiguli dealership here sells more cars than any other in the nation, averaging 60 vehicles a day, all of them delivered straight from the nearby Vaz factory.

Many of the car merchants are Azerbaijanis, who bring fruit and other merchandise north from their home republic, sell it and then invest the earnings in cars.

New-car buyers often snub the merchants on the street, only to return to a friend or to a friend of a friend.

Ismailov Yasin, of Baku, Azerbaijan, one of the merchants outside the trade center, illustrated how the resale market works.

The government in effect raises new vehicles. It does this by requiring dealers to sell new cars only to people with coupons that they have obtained

from an employer, a trade union or by putting their names on a list and waiting, as Mr. Yasin said he did.

His coupon entitled him to purchase a new Zhiguli 2106 from a dealer at a fixed price, one that is almost always much lower than the immediate resale value.

In Mr. Yasin's case, the fixed price was 160,000 rubles (\$1,600) and the resale value is 380,000 rubles.

Leaning against his month-old blue sedan in the street outside the trade center, Mr. Yasin said he had sought for more than a week to exchange the car for a fancier Zhiguli 2199, which dealers sell for 500,000 rubles.

Since the Model 2199's immediate resale value is nearly 800,000 rubles, Mr. Yasin says he has offered to pay more than 300,000 rubles in cash in addition to his less valuable Zhiguli 2106. So far, no takers.

While Mr. Yasin sought to trade up to a fancier car, one that he will almost certainly resell later for an even higher price, others are in the market for a different reason. Many buy the Model 2199 to trade down.

In a nation without auto loans, trading down is a way to finance the purchase of a car.

A consumer with, say, 100,000 rubles in savings gets a coupon that gives him the right to purchase a Model 2199 from a dealer for 500,000 rubles.

After borrowing 400,000 rubles from family and friends, he purchases the car and quickly resells it for 800,000 rubles.

Once the debt is repaid, the consumer is left with his original 100,000 rubles in savings and the 300,000 rubles in profit.

That would be enough to purchase a nearly new Zhiguli 2106. The 300,000 ruble profit becomes, in effect, an auto loan.

"Everyone wants the Zhiguli 2199 because the car is so easy to resell," said Zinaida R. Sankina, director of the Zhiguli Trade Center. "I have seen people beg and cry for a 2199."

Fiat Expects Profit Fall For 1992

Compiled by Our Staff From Despatches

TURIN — Giovanni Agnelli, chairman of Fiat SpA, said Tuesday that the automaker expected 1992 consolidated net profit to be lower than in 1991 but still positive.

The company also said at its annual meeting that sales were expected to rise to around 60 trillion lire (\$5.2 billion) in 1992 from 56.48 trillion.

Fiat earned net income of 1.11 trillion lire in 1991, down 31 percent from 1.61 trillion in 1990.

The company's planning director, Umberto Quadri, also said Fiat has sold its remaining 25 percent stake in Alcatel Italia to a group of French institutions, at the same time giving Alcatel-Alsthom the right to buy the shares until 1996.

"The group will probably make other asset sales during the year but nothing of the magnitude of the Alcatel Italia sale," Mr. Quadri said.

Fiat's capital gain on the operation will be around 860 billion lire, Mr. Agnelli told the meeting.

For 1992, Mr. Quadri said, Fiat will make an operating profit excluding extraordinary gains from the Alcatel Italia sale. He added that the operating profit margin on first-half sales of 30 trillion lire fell to 0.5 percent from 1.5 percent a year earlier. The company's Iveco truck and Geotech units continued to post losses, he added.

Mr. Quadri also said Fiat's net debt, which stood at 270 billion lire at the end of 1991, would increase in 1992 and 1993.

(Reuters, AFP, Bloomberg)

KLM Hopes to Benefit From Open U.S. Skies

Compiled by Our Staff From Despatches

AMSTERDAM — KLM Royal Dutch Airlines Chairman Peter Bouw said on Tuesday that the Netherlands would be the first country to negotiate with the United States under the new American "open skies" agreement with European countries.

The U.S. policy, announced March 31, envisages giving foreign airlines many of the freedoms enjoyed by American carriers. It may allow foreigners to take majority stakes in U.S. airlines, Mr. Bouw said. At any rate, it is expected to greatly simplify foreign-ownership rules, he said.

Under current U.S. law, a foreign investor is limited to 25 percent voting rights, although it can own as much as 49 percent of a U.S. carrier.

The first round of talks between the two countries is expected to take place in the second half of August and could lead to an agreement before the U.S. presidential election in November, Mr. Bouw said.

"KLM will benefit from such an agreement through the almost unlimited choice of future destinations it will offer," he said.

An agreement could also open almost limitless opportunities for cooperation with Northwest Airlines, in which the Dutch flag carrier has a 20 percent stake, the chairman said.

Mr. Bouw said KLM does not expect to increase its stake in Northwest at this time. "We're considering many options to cooperate in a financial restructuring of Northwest," the chairman said. "Whether a new stake will be available to KLM is unclear."

"But we hope the U.S. will relax its laws regarding stakes foreign airlines can take in U.S. airlines so that we at least have the option to increase our stake," he said.

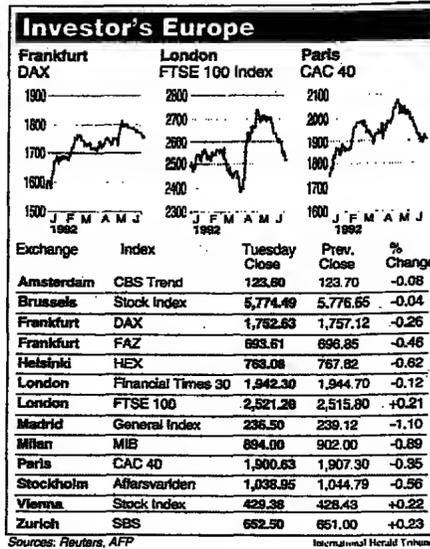
Mr. Bouw also said KLM was profitable in its first quarter, which ended June 30, although he gave no figures. Net profit in the year earlier quarter was 136 million guilders (\$78.5 million).

The results were positive, he said, but the profit was "not as much as we hoped" because of KLM's stakes in other, money-losing airlines, such as Northwest and Air Littoral. He said KLM had "clear-cut limits" on its investment in those partners. "We need to have patience for a couple of years, but we are not a bottomless pit," he said.

KLM might increase its stake in Air Littoral from its current 35 percent, Mr. Bouw said, although he would not be specific.

Mr. Bouw declined to predict results for the full year, which ends March 31, 1993. "Passenger traffic is developing favorably, but cargo has not achieved the forecast levels due to recession in various parts of the world," he said.

(Bloomberg, AFP, Reuters)



- ### Very briefly:
- Aer Rianta, which runs Ireland's three main airports, said it had won a contract to manage Warsaw Airport.
 - Sears PLC shareholders learned that sales in the five months to May had been "flat," but Chairman Geoffrey Maitland-Smith told the annual meeting that there were signs of improvement in the British recession.
 - IBM Deutschland GmbH said it would restructure and become a holding company with four divisions headquartered in Berlin.
 - Ciments Français sales totaled 6.55 billion francs (\$1.3 billion) in the five months to May, unchanged from the same period last year, Chairman Pierre Conso said, adding that the figures were not very satisfactory, but he declined to make any forecast for 1992 earnings.
 - Electricité de France has named Gilles Menage, head of President François Mitterrand's private office, to replace Pierre Delaporte as chairman, according to an announcement in France's Official Journal.
 - Arab Islamic Bank will set up a \$100 million joint venture investment bank in Albania, Saudi newspapers reported.
 - Philips Electronics NV said minority shareholders in its video distributor Super Club Holding & Finance SA would be offered warrants for Philips shares at an exercise price of 34 guilders (\$19.88) a share; Philips plans to turn Super Club's 500 U.S. and 100 Belgian video stores into one-stop shops for compact disks, digital cassettes and other products.
 - Tullow Oil PLC said it had sold its interests in Yemen to ARCO Yemen Inc. and would receive phased payments totaling \$5.25 million.
 - MMB, the holding company of the French businessman Jean-Luc Lagardere, expects 1992 results to improve sharply from last year's 448.2 million franc net attributable loss, based mainly on a more favorable outlook for Hachette and Matra.
 - British Petroleum cut the price of all grades of gasoline by 1.9 cents a liter in Britain.
- AFP, Reuters, AP, UPI

Kimberly-Clark Venture Includes German Firm

DALLAS — Kimberly-Clark Corp., a maker of tissues and other papers, and VP-Schickdanz AG of Germany said Tuesday they would form a joint venture to sell consumer products in Europe.

The companies project annual sales of \$1.2 billion from the venture, in which each parent will hold a 50 percent interest. They did not disclose terms of their agreement, which they expect to conclude in the fourth quarter.

Wayne Sanders, the chief executive of Kimberly-Clark, and Peter Fischer, his counterpart at VP-Schickdanz, said the agreement would allow the companies to take advantage of complementary marketing, manufacturing and technological strengths.

Kimberly-Clark will broaden its reach in Germany, Spain and Italy, while VP-Schickdanz will expand its presence in France, Belgium, the Netherlands and Luxembourg and benefit from new diaper technology developed by Kimberly-Clark in the United States.

The companies' businesses in Britain and Ireland are not involved in the venture.

The Annual General Meeting of Alcatel Alsthom Compagnie Générale d'Electricité, which took place on June 25, 1992, chaired by Mr. Pierre SUARD, Chairman and Chief Executive Officer, adopted all the proposed resolutions.

Annual and Extraordinary General Meeting June 25, 1992

After the presentation of the 1991 fiscal year, which resulted in a net consolidated Group profit of 6.2 billion French Francs against 5.1 billion French Francs in 1990, the Assembly approved the accounts of the Company for fiscal year 1991.

A dividend of 13.50 French Francs was also approved, plus a tax credit of 6.75 French Francs, to all 120.6 million outstanding shares as of January 1, 1991. This dividend will be paid, beginning as of July 1, 1992. Shareholders have the possibility for payment either in cash or in additional shares of the Company, at a price of 562 French Francs. These shares will become effective as of January 1, 1992. Each shareholder must exercise his cash or share option with respect to the entire amount of the dividend declared. This option can be exercised from July 1

Alcatel Alsthom contact:
Press information: Tel 33 (1) 4076 12 03 - Fax 33 (1) 4076 14 13 • Investor relation: Tel 33 (1) 4076 10 68 - Fax 33 (1) 4076 14 05

Lonrho Sees Upturn After Income Drop

LONDON — Lonrho PLC said Tuesday its pretax profit plunged 65 percent, to £38 million (\$72.2 million), in the six months ended March 31, but the embattled conglomerate said debt targets had been met and it expected a sharp upturn in the second half.

"Second-half profits will show much improvement from platinum group metals production, reduced group interest costs, streamlining of operations and Lonrho's traditionally better second half," Chief Executive Tiny Rowland said in a statement.

Recession and platinum refining problems contributed to the profit collapse, from £109 million a year earlier. But the debt-equity ratio fell to 50 percent and Lonrho resumed its dividend with a payout of 2 pence a share.

In January, Lonrho omitted its dividend after full-year profit fell and debt jumped to £1.1 billion.

Since then the company has made about £500 million of asset disposals, and net debt has dropped to £903 million, including £126 million new loans from a newly consolidated German property venture.

In London trading, Lonrho's stock was unchanged at 77 pence per share.

With net debt-equity ratio at 50.8 percent, the conglomerate has already met targets set in January. But its deputy chairman, Paul Spicer said further "meaningful" disposals of peripheral businesses are under negotiation.

"This is a year of good housekeeping. It's simple stuff — we didn't want to pay huge interest bills while profits were falling. Debt reduction has gone very well," Mr. Spicer said. Profit fell across all activities, with mining hardest hit by lower precious metals prices and refining problems at the 73 percent-owned South African Western Platinum operation.

Mining profit dropped to £14 million from £39 million, despite a 23 percent rise in gold production from Ashanti in Ghana.

WestPlat's problems have now been solved, however, and a recovery in prices will boost second-half profit, the company said.

On current projections, Lonrho's gold production is expected to reach 975,000 ounces for the year, with total platinum, rhodium, palladium and ruthenium output expected at 790,000 ounces, Mr. Spicer said.

Motors, hotels and real estate were hard-hit by recession, with general trading suffering most. Profits in the division, where Lonrho has a joint venture with Germany's Krupp Stahl AG, collapsed 63 percent, to just £9.0 million.

Lonrho is in talks over the division's future direction following Krupp's takeover of its rival steelmaker Hoehsch AG, which also has trading activities, but Mr. Spicer said the situation would take some time to resolve.

He declined to discuss peripheral units targeted for sale but described mining, hotels and agriculture as businesses the group considered as "core."

The company shrugged off criticism, however, of its largest disposal to date: The sale in March to Libya of a one-third stake in its Metropole Hotel chain, which raised £177.5 million.

COMPANY RESULTS

Revenue and profits or losses, in millions, are in local currencies unless otherwise indicated.

Company	Year	Revenue	Profit	Per Share
British Steel	1991/92	2,540	254	2.54
	1990/91	2,540	254	2.54
Nippon Oil	1991/92	2,540	254	2.54
	1990/91	2,540	254	2.54
Lonrho	1992	2,540	254	2.54
	1991	2,540	254	2.54
Germany	1991	2,540	254	2.54
	1990	2,540	254	2.54
Japan	1991/92	2,540	254	2.54
	1990/91	2,540	254	2.54
United States	1991	2,540	254	2.54
	1990	2,540	254	2.54

Yugoslavia Devalues Dinar

BELGRADE — The Yugoslav government on Tuesday announced an 85 percent devaluation of the dinar to take effect on Wednesday, the Tajug news agency said.

Ten old dinars would now be worth one, and the new dinar would be pegged at 200 to the dollar. The current dinar, until now set against the Deutsche mark, was traded officially at just over 300 to the dollar.

The combined redenomination and resetting of the rate against the dollar amounted to a devaluation of some 85 percent. The last devaluation was in March.

Yugoslavia also announced salary cuts and price freezes to combat hyperinflation and United Nations sanctions. The nation's economy has been battered by a year of ethnic fighting.

Warsaw Taming the Zloty

WARSAW — Poland is planning to introduce new banknotes and knock four zeros off the inflation-tattered zloty, the president of the National Bank of Poland said Tuesday.

Hanna Gronkiewicz-Waltz said the new zloty would be introduced within a year. It would gradually replace old banknotes, of which the biggest has a denomination of 1 million zlotys.

Simply speaking, we will knock off four zeros so the biggest banknote will be 100 zlotys, the banker said. After four years of galloping inflation, which in February 1990 reached an annual rate of 1,183 percent, the value of the zloty fell to about 13,600 to the dollar.

NYSE

Tables include the nationwide price up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

(Continued)

Symbol	Price	Change	Symbol	Price	Change
IBM	120.00	+0.25	IBM	120.00	+0.25
Microsoft	45.00	+0.50	Microsoft	45.00	+0.50
Apple	35.00	+0.25	Apple	35.00	+0.25
Oracle	25.00	+0.50	Oracle	25.00	+0.50
Amgen	15.00	+0.25	Amgen	15.00	+0.25
Genentech	10.00	+0.25	Genentech	10.00	+0.25
Novartis	8.00	+0.25	Novartis	8.00	+0.25
Schering	7.00	+0.25	Schering	7.00	+0.25
Boehringer	6.00	+0.25	Boehringer	6.00	+0.25
Novo	5.00	+0.25	Novo	5.00	+0.25
Amgen	4.00	+0.25	Amgen	4.00	+0.25
Genentech	3.00	+0.25	Genentech	3.00	+0.25
Novartis	2.00	+0.25	Novartis	2.00	+0.25
Schering	1.00	+0.25	Schering	1.00	+0.25
Boehringer	0.50	+0.25	Boehringer	0.50	+0.25
Novo	0.25	+0.25	Novo	0.25	+0.25

Few Bottom-Fishers on Tokyo Bourse

TOKYO — In the heyday of Tokyo's stock market, widely inflated stock prices seemed to price Japanese companies well out of the reach of all but deep-pocketed investors.

Tax Bills for Big 4 Brokers

TOKYO — Japanese authorities have levied additional taxes on the country's Big Four securities companies for illegally compensating favored clients for money lost on the stock market, the companies said Tuesday.

Local news reports, quoting National Tax Administration Agency officials, said the taxes came to 73 billion yen (\$580.1 million) and covered a three-and-a-half-year period that ended in March 1991.

The proportion of mergers and acquisitions involving a foreign buyer and a Japanese seller actually fell from 4.7 percent in 1987 to 3.4 percent in 1991, according to Yamaichi Securities Co.

Despite a traditional allergy to foreign takeovers, Japanese companies have gradually become more open to the idea, partly because finance costs have risen with interest rates. Banks, embroiled in their own problems, have become tighter.

Lower stock prices have also led many institutional investors, such as insurers, to threaten to unload shareholdings long kept

Electric Co., which was bought by British conglomerate Polly Peck International PLC in 1989. Unable to turn the company around and bogged down in its own financial and legal mess, Polly Peck has since sold 50 million of its Sansui shares to a Hong Kong electronics company, Grande Holdings, for a token sum of 3 Hong Kong dollars (39 cents).

Foreign investors may have learned something from the unhappy experience of the Texan investor T. Boone Pickens, who bought a majority stake in a Toyota Motor Co. affiliate, Koito Co., but could not get a seat on the board of directors.

Foreigners can buy NTT. Foreigners will be able to buy up to 20 percent of the shares in the former government telecommunications monopoly Nippon Telegraph & Telephone beginning Aug. 1, Bloomberg Business News quoted the Ministry of Posts and Telecommunications as saying on Tuesday.

The ministry's long-awaited decision to revise Japan's NTT Law comes as the privatized carrier's share price has plunged.

NTT closed Tuesday at 591,000 yen, down about 80 percent from a 1987 peak of 3.15 million yen but still the most expensive stock in Japan.

Thai Air Expansion Slowed by Inquiry

BANGKOK — The directors of Thai Airways International on Tuesday suspended seven expansion projects following the launch of an investigation by the government into "irregular" activities of the national airline.

The board voted to suspend the projects, worth hundreds of millions of dollars, after the transport and communications minister, Nukul Prachubon, ordered an inquiry into several questionable transactions by Thai Airways.

Mr. Nukul said the airline's operations needed to become more "clear and transparent" in view of its imminent listing on the Stock Exchange of Thailand, which could come as early as mid-July.

Among the activities being investigated are the purchase of land from the wife of a senior air force officer, reportedly for 200 million baht (\$7.9 million) above the asking price. The land is to be used as the site of a repair center, that project has been suspended.

Also being studied are the purchase of Rolls-Royce engines for six Boeing 777s, to be delivered by 1996; the airline generally uses General Electric Co. and Pratt & Whitney engines. Critics say the choice of Rolls-Royce engines will require additional investment for service facilities. The purchases also were suspended.

The sale of six Short aircraft to Bangkok Airways, a private domestic carrier, for 98 million baht, despite another offer of 115 million baht for the planes, is being investigated as well. Other transactions include the rental of luxury cars and a jet for airline officials and kickbacks to let a private airline operate the lucrative Phnom Penh route.

The investigation follows the military crackdown in May in which scores of pro-democracy protesters were killed. The military's role in the government has since come under fire, including senior officers' management of state enterprises.

The airline's chairman is Air Chief Marshal Khet Rajanulit, who, as supreme commander of Thailand's military forces, was one of the key figures in the crackdown.

Stock Manipulation Case. That police said Tuesday they were poised to prosecute investors and brokerage firms for manipulating stock prices, Agence France-Press reported from Bangkok.

Local press reports said police officers had discovered that a group of investors had used brokerage firms to feed clients with disinformation on price movements of certain shares. The suspects were not identified.

Investor's Asia

Table with columns: Exchange, Index, Tuesday Close, Prev. Close, % Change. Rows include Hong Kong, Singapore, Tokyo, Sydney, Kuala Lumpur, Bangkok, Seoul, Taipei, Manila, Jakarta, New Zealand, Bombay.

Very briefly:

- Taiwan and Vietnam signed an investment guarantee agreement to promote financial ties in the absence of diplomatic relations, an official said in Hanoi, adding that his government pledged to protect Taiwanese investments from being nationalized.
Guangsheng Color Printing Equipment Co., a state-owned, bankrupt printer in Shenzhen, is to be the first Chinese company to be sold at public auction.
Nippon Oil Co., Nippon Mining Co., Arabian Oil Co. and Caltex Petroleum Corp. have established a joint venture called Nisse Petroleum Project Co. to study the feasibility of a refining project with Saudi Arabia.
New South Wales stands to make 1.2 billion Australian dollars (\$900 million) from the over-subscribed stock-market flotation of its insurance arm, GIO Australia Ltd.
Hai Hong Holdings, a paint-making subsidiary of the China Merchants conglomerate, said it plans to become the first China-owned enterprise to seek listing on the Hong Kong Stock Exchange.
Malaysia wants talks with Thailand and Indonesia before the end of the year to work out a strategy to obtain better prices for the ailing natural rubber industry, a top official said.
Japan's unemployment rate in May rose 0.1 percentage point from the preceding month to 2.1 percent of the labor force; the number of jobs totaled 1.42 million.
ABC Communications (Holdings), an operator of paging devices, said after-tax profit in the year ended March 31 climbed 31 percent from the previous fiscal year, to 60 million Hong Kong dollars (\$7.7 million), on a 16 percent rise in sales, to 233 million dollars.

Taiwan Still Wants McDonnell Tie

TAIPEI — Following China's \$1 billion deal to co-produce 40 aircraft with McDonnell Douglas Corp., Taiwan said on Tuesday it would attempt to salvage its own plan for a multibillion dollar link with the U.S. manufacturer.

The assistant economics minister, Yang Shih-chen, denied a published report that Taiwan was abandoning the talks.

"Our desire to cooperate has not changed," Mr. Yang said. "We are proceeding with the McDonnell plan and have not received any indication that McDonnell wants to abandon talks on cooperation."

Last month, Taiwan Aerospace Corp. introduced a proposal that did not involve a Taiwanese stake. McDonnell has insisted that an equity stake was necessary.

Instead, a Taiwanese aircraft leasing company would place advance orders for MD-12s to give McDonnell enough financial support to develop the jet.

Taiwan Aerospace is 29 percent owned by the government, while the rest of it is held by industrial interests. It signed a preliminary agreement with McDonnell Douglas in November to buy up to 40 percent of its commercial aircraft operations for \$2 billion.

That deal would have given the No. 2 U.S. aircraft manufacturer funds to develop its MD-12 jumbo jet and also boost Taiwan's fledgling aerospace industry, which would produce wings and fuselage components.

"McDonnell does not like Taiwan Aerospace's leasing proposal and is opposing it strongly," a Taiwan government source said on Monday. Noting that the Airbus consortium in Europe was considering plans to develop a new jumbo jet, the source said delays in the MD-12 project were endangering the agreement.

Time Completes Japan Deal

NEW YORK — Time Warner Inc., Toshiba Corp. and C. Itoh & Co. said Tuesday they have completed the deal under which the Japanese companies will invest \$1 billion in a Time Warner subsidiary.

Toshiba, an electronics maker, and Itoh, a trading company, each own 6.25 percent of the subsidiary, called Time Warner Entertainment Co., while Time owns the rest. The subsidiary encompasses Time's Warner Brothers movie and television studios, Home Box Office cable and television systems. The investment will help Time pay debt incurred in its 1990 acquisition of Warner Communications Inc. Time shifted \$1.1 billion of long-term debt into the new subsidiary.

The three partners also formed a venture in Japan called Time Warner Entertainment Japan, which will expand Time's movie, television and home video businesses in that country. That venture is 50 percent owned by Time, while Toshiba and Itoh each hold 25 percent.

Sources said International Business Machines Corp. might buy a 6.25 percent stake in Time Warner Entertainment for \$500 million.

Vodafone Seeks Australia License

SYDNEY — Vodafone Group PLC of Britain said it would bid for Australia's third mobile telephone license.

Gerry Whent, the chief executive officer, said the company would join a consortium, to be known as Arena GSM, with unnamed Australian partners. He said the company planned to invest more than 550 million Australian dollars (\$410 million) in the Australian network.

The investment would cover seven years and create 5,000 jobs, Mr. Whent said.

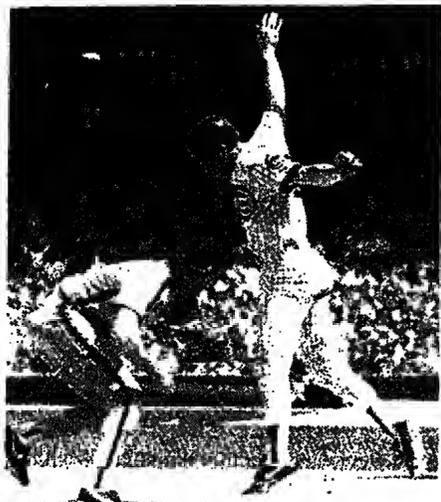
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Large table listing various international funds with columns for fund name, currency, and price. Includes sections for International Funds, Bond Portfolios, Equity Portfolios, and Other Funds.

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SPORTS BASEBALL



The Chicago Cubs' Mark Grace getting safely into third as the New York Mets' Bill Pekota misses the tag. The Cubs won, 5-2.

Steinbrenner Redux: Is the Personality Cult Coming Back?

By Claire Smith
New York Times Service

NEW YORK — Buck Showalter, at 36 the youngest manager in the major leagues, looks as if he has aged about 10 years since he took over the Yankees this season.

It could be worse. The conscientious Showalter could have been managing during the team's GMS epoch instead of the days of the Yankees WGMs — without George M. Steinbrenner.

During the WGMs era, Showalter and other baseball people around the Bronx have been allowed to do what major league employees normally do: put together lineups, establish pitching rotations and worry about disabled players, bench strength, pennant races and such. Back during the GMS period, from 1973 through the grim 1980s, the only thing that ever seemed to matter, the only focus of concern for team employees, was GMS himself.

The reason for the oppressive mind-set was obvious. Where else did a majority owner's ego assure that it was all but impossible for managers and, at times, players to excel unimpeded?

Where else did employees have to fend off tabloid attacks by an owner who requested anonymity? Who else all but required accomplished baseball people to become, as Dallas Green, a former Yankees' manager, once described himself, "a puppet machine"?

Those who dared say that the king had no clothes paid the price, then got on with their lives — Yogi Berra, Lou Piniella, Green. But they knew what they left behind was an organization in anguish. No one ever summed it up better than Green when, at the end of his short-lived efforts as manager in 1989, he stated: "It's a bad situation for baseball in New York. And it's not going to get any better on the route he's going to take. A manager can only succeed if he succumbs to the will of George Steinbrenner."

Showalter is now in line to become the 19th manager in the GMS era to learn that harsh truth — or the 20th, if you choose to not believe Steinbrenner's recent "trust me" pronouncements that he had nothing to do with the team's moves since 1990 and therefore played no role in the firing of Stump Merrill last fall.

For Steinbrenner is undoubtedly coming back.



George Steinbrenner

Fay Vincent, baseball's commissioner, originally intended to suspend the Yankees owner for just two years, not ban him for life after Steinbrenner admitted in 1990 that he paid \$40,000 to an admitted gambler for information detrimental to Yankee outfielder Dave Winfield.

Vincent obviously still does not believe

the offense deserved the punishment Steinbrenner inexplicably bartered for — an agreement that he would permanently remove himself from the team's baseball operations.

Vincent knows Steinbrenner has not exactly behaved himself as required since agreeing to step aside; an investigation continues into allegations that he meddled in Yankees' activities in violation of the 1990 agreement. And he knows that Steinbrenner's Yankees were never a model of organization for other clubs.

But an owner running a team poorly or irrationally does not provide a commissioner with grounds to revoke the privilege of ownership. Steinbrenner's re-entry is inevitable, a point driven home each time he and Vincent meet, as they did Monday.

Will he be big enough to recognize that, in his absence, the Yankees had a wonderful opportunity to function as a baseball operation, not as a personality cult? The team took advantage of that newfound freedom, becoming a real-life version of "9 to 5." In that film, the oppressive "boss" disappeared and a marvelous metamorphosis occurred in the workplace. Human touches abound-

ed, as did the smiles and feelings of genuine accomplishment.

The same kind of change has been in evidence at Yankee Stadium. The Yankees did not win in 1990 or in 1991, and probably won't this season, either. But in the era of one man's banishment and one organization's freedom, there has been an air of rejuvenation and purpose.

The very presence of a Showalter has reflected that change of atmosphere. The rookie manager didn't come with the marquee value required in the GMS era — he just came with an obvious talent and some much-needed innovation and enthusiasm. The same could be said of Andy Stankiewicz, and his infectious style of play at shortstop.

Phil Rizzuto once remarked on the air that the diminutive Stankiewicz probably could not have played for Steinbrenner because the owner doesn't like little players. Think about that, Andy Stankiewicz, Mike Gallego, Pat Kelly, Hank Aaron, Don Mattingly and Don Liddle. Think about that, Donny Tartabull and Don Mattingly, by big contract, Yankees who remain in offensive muddles. Life gets rough when such senseless rationales are tossed around like grenades.

Athletics' Eckersley Once Again Shows His Saving Grace

The Associated Press
DENNIS Eckersley of the Oakland Athletics got some peace of mind. He also got another piece of major league baseball history.

By converting his 26th straight save opportunity Monday night in Seattle, in an 11-inning, 5-4 victory

sixth inning off rookie starter Dave Fleming tied the score at 3. In the top of the 11th, he singled home the go-ahead run off Mike Schooler. Royals 7, Yankees 3; Greg Jefferies, Kevin McReynolds and Keith Miller came back to New York for the first time after they were traded from the Mets to Kan-

sas City during the off-season, and went a combined 7-10-14 to lead the Royals over the Yankees. Twins 5, Angels 1: In Anaheim, California, Kevin Tapani pitched a four-hitter. Greg Gagne hit a three-run homer and Minnesota won its fourth straight. Blue Jays 11, Rangers 4: In To-

ronto, Texas pitchers tied a team record by walking 13 batters, and six of them scored. Bobby Witt walked eight in four-plus innings. White Sox 9, Indians 6: In Cleveland, Robin Ventura got four hits and drove in two runs as Chicago won for the eighth time in nine games.

Tigers 8, Red Sox 3: In Boston, Travis Fryman of Detroit hit two home runs in support of Frank Tanana's five-hit pitching over seven innings. Brewers 5, Orioles 3: In Baltimore, Bob Milacki allowed four runs in 3 1/2 innings, sending the Orioles to their third straight loss.

AMERICAN LEAGUE

over the Mariners, the 37-year-old right-hander set a big league record. Eckersley had previously matched Tom Henke's record, set in 1991, by converting 25 consecutive save opportunities in one season. Eckersley extended his own record to 30 straight saves in two years.

"I'm glad that's over because I've been thinking about it," Eckersley said. "It's definitely been on my mind."

In a game when the Mariners outbit the A's 17-10 but left 14 men on base, Oakland got two critical hits from catcher Terry Steinbach.

Steinbach's solo home run in the

Cards' Tewksbury Acquires a Taste for Pirates

United Press International

If the Pittsburgh Pirates could face Bob Tewksbury every night, maybe they could finally figure him out. Maybe not.

Tewksbury did not allow a run until the ninth inning Monday night, beating the Pirates for the second time in less than a week and giving the St. Louis Cardinals a 3-1 victory. "We haven't solved him," Pittsburgh Manager Jim Leyland said. "He has good control and doesn't make many mistakes."

Tewksbury, who has four of the Cardinals' five complete games,

struck out three and did not walk a batter. In 12 1/2 innings this season, he has issued just nine walks. His

record is now 9-2, and his NL-best ERA is 1.94.

"I can't walk batters," Tewksbury said. "I've got to throw strikes to be effective."

"He's the guy we turn to," Cardinals Manager Joe Torre said. "He's got an extra toe on the fastball and that comes from his excellent curve and changeup.

Pittsburgh, which leads St. Louis in the National League West Division by 4 1/2 games, has lost four of its last five games. St. Louis has won four of its last five games.

St. Louis, playing at home, went ahead 2-0 with two out in the fourth inning. Todd Zile singled and scored on Gerald Perry's double. Craig Wilson doubled home Perry.

Cubs 5, Mets 2: In Chicago, Rey Sanchez hit a two-run double and Dwight Smith added a solo homer to lead the Cubs to only their fourth victory over New York's

Dwight Gooden in his 33 career starts against them.

Phillies 5, Expos 4: In Philadelphia, Terry Mulholland, pitching with a broken glove hand, stopped Montreal.

Astros 4, Reds 3: In Houston, pinch-hitter Benny Distefano's two-out, bases-loaded triple in the eighth snuffed Cincinnati's five-game winning streak.

Dodgers 6, Padres 5: In Los Angeles, Mike Sharperson's bases-loaded single in the 11th inning scored Todd Benzinger.

Hockey's Flyers Win Dispute Over Prodigy

The Associated Press

TORONTO — The Philadelphia Flyers on Tuesday won the rights to Eric Lindros, a highly touted 19-year-old hockey player, when an arbitrator ruled in the team's favor.

The Flyers beat out the New York Rangers in the ruling by arbitrator Larry Bertuzzi, who was called on for a decision after the Quebec Nordiques apparently traded the rights to Lindros to both teams. Lindros, the Nordiques' No. 1 draft pick in 1991, had refused to play for them.

The Flyers will give Quebec five players — goaltender Ron Hextall, Steve Duchesne, Kerry Hoffman, Mike Ricci and Peter Forsberg — their top draft pick in 1993 and \$15 million for the rights to Lindros.

Magic & Co. Overcome A Bit of Overconfidence

By Mark Heisler
Los Angeles Times Service

PORTLAND, Oregon — The TV lights went out and overconfidence, the silent killer, bit the Dream Team. So the U.S. Olympic team settled for a 44-point victory.

The Americans, wallowing in lethargy and half-court basketball, turned the second half into a track meet and walloped Canada, 105-61, Monday night to go to 2-0 in the Tournament of the Americas.

Afterward, Coach Chuck Daly, asked by a Latin American journalist to explain U.S. supremacy, gave an involved answer about sociological factors, intense competition, etc. "What he's trying to say diplomatically is he's got some brothers from the hood who can flat out hoop all day long," interjected Charles Barkley. "They're gonna be tough to keep up with."

But for most of Monday's first half, the Canadians did just that.

Late in the half, they trailed only 37-28, a far cry from the 40-point pounding the Americans had laid on Cuba in Sunday's first half on the way to a 79-point winpoint.

The Canadians ran deliberate offensive patterns and slowed the game down. Meanwhile, the Americans were uninspired.

Patrick Ewing had a shot blocked by 6-5 J.D. Jackson. Barkley missed a dunk. The team that shot 72 percent Sunday went into the final minutes of the half at 41 percent.

But then the United States tightened its defense and the lead started increasing, in a hurry. David Robinson's layup made it 41-30. Karl Malone's layup made it 43-30. Chris Mullin's three-pointer on a fast break made it 46-30. Malone's fast-break layup made it 48-30. Scottie Pippen's layup made it 50-31, and the Americans never looked back.

BOOKS

A CONTINENT OF ISLANDS: Searching for the Caribbean Destiny

By Mark Kurlansky. 324 pages. \$22.95. Addison-Wesley Publishing Co., Route 128, Reading, Massachusetts.

Reviewed by Barry James

"ONLY northerners," remarks Mark Kurlansky in the introduction to this thoughtful, disturbing and highly entertaining survey of the Caribbean, "find the tropics serene."

This misperception, he says, is buttressed by advertising and PR that emphasizes the Disneyland aspects and perloc weather of these vacation islands, while ignoring realities and tensions that simmer beneath the surface.

Nothing must be allowed to spoil the image. A single murder case on a Caribbean island can drive away tourists who take violence for granted in places like New York or Chicago.

Caribbeans, Kurlansky says, spend millions of dollars on advertising campaigns that reassure foreigners that the whole region is full of nothing but smiling, happy natives. Some campaigns "completely avoid natives and show frolicking blond people instead."

The result, he says, referring to Jamaica, is that "black populations are watch-

ing their own black governments return the island to a system where the best is once again reserved for the white foreigner." The same could be said for most of the other islands. Yet apart from tourism, and exporting their sons and daughters to New York, London, Paris and other cities, most Caribbean countries do not have many economic options other than tourism and the ubiquitous growth of free-zone assembly operations based on cheap labor.

"Sadly," Kurlansky observes, "these nations who have struggled with their slave history have found in the late 20th century that all they could offer to the world economy was simply an unskilled population that would work for what was barely subsistence pay and to do so without protest."

Kurlansky, who has written for the International Herald Tribune, the Chicago Tribune, The New York Times Magazine and other publications, plunges behind the surface image to "a crowded world of lovingly painted tin-roof shacks and brave lean people... a world of gossip and rumor-mongers who spread stories from house to house or around a standpipe or rum bar — a world that is lived out in the cooling breezes."

He shows a world of enormous cultural complexity and diversity and a dizzying range of religious beliefs and racial nuances. The Caribbean, always overshadowed by its giant neighbor to the north, mingles independent countries with islands and territories that depend

to varying degrees on France, Britain, the Netherlands and the United States. "They all have in common," he says, "a history of such savage greed and brutality that Caribbeans can barely speak of it, an Afro-Asian-European-American culture of its own invention, and the dream that five centuries after the slaughter began, they will take their place at last in the world, finding a niche in which they can prosper."

The slaughter he refers to was, of course, the arrival of Columbus, which

was followed by centuries of colonial power and education that obliged Caribbeans "to admire men who had owned and traded their ancestors."

"Given the depths and savagery of the slave trade," he writes, "it is understandable that Caribbeans view their past with a sense of horror."

But are they any better at coming to grips with the future? No, Kurlansky says. "Caribbeans are not great planners but they are great survivors."

BEST SELLERS

This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

Week	Title	Author	Last Week	Weeks on List
1	OH, THE PLACES YOU'LL GO...	Dr. Seuss	4	114
2	SAHARA	Clive Cussler	4	6
3	THE PELICAN BRIEF	John Grisham	3	16
4	DARK FORCE RISING	Timothy Zahn	2	4
5	SCRUPLES TWO	Judith Krantz	5	7
6	JEWELS	Ornette Stein	5	7
7	ALL AROUND THE TOWN	Mary Higgins Clark	7	10
8	WAITING TO EXHALE	Terry McMillan	6	5
9	JAZZ	Tom Morrison	9	11
10	DOUBLE DEUCE	Robert B. Parker	13	2
11	POSSESSING THE SECRET OF JOY	Alice Walker	14	2
12	ALL THE PRETTY HORSES	Cornelia McCarthy	13	3
13	THE ROAD TO OMAHA	Robert Ludlum	10	17
14	"IT IS FOR INNOCENT"	Sue Griffin	8	10
15	THE LIVING	Amie Dillard	11	7
NONFICTION				
1	THE SILENT PASSAGE	Gail Sheehy	1	5
2	DIAN IN PRIVATE	Lady Colin Campbell	5	2
3	TRUMAN	David McCullough	10	5
4	PEROT	Todd Mason	3	4
5	HEAD TO HEAD	Leslie Tharpe	2	8
6	CHIEF	Daryl F. Gates	4	4
7	GIVE WAR A CHANCE	P.J. O'Rourke	6	10
8	REVOLUTION FROM WITHIN	Gloria Steinem	8	22
9	BACKLASH	Susan Faludi	9	32
10	ELEANOR ROOSEVELT	Blanche Wiesen Cook	11	6
11	WHO WILL TELL THE PEOPLE	William Greider	7	8
12	ACQUIRED TASTES	Peter Mayle	12	2
13	A BRILLIANT MADNESS	Parti Dake and Gloria Hochman	14	1
14	ROCKE WARRIOR	Richard Marcinko with John Weisman	13	15
15	SAM WALTON: MADE IN AMERICA	Sam Walton with John Helyar	1	1
ADVICE, HOW-TO AND MISCELLANEOUS				
1	LIFE'S LITTLE INSTRUCTION BOOK	H. Jackson Brown Jr.	1	2
2	A RETURN TO LOVE	Marianne Williamson	3	19
3	THE JUCEMAN'S POWER OF JUICING	Jay Kordich	3	10
4	MORE HEALTHY WITHOUT RISK	Charles E. Givens	4	30
5	HOW TO SATISFY A WOMAN EVERY TIME	Naura Hayden	5	30

PEANUTS



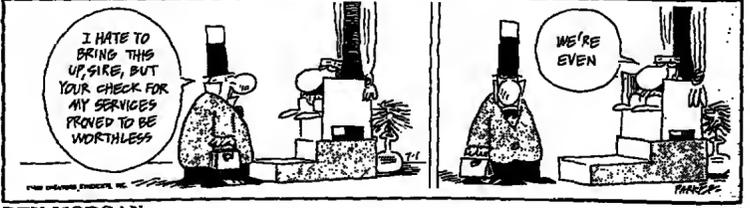
BEEBLE BAILEY



CALVIN AND HOBBES



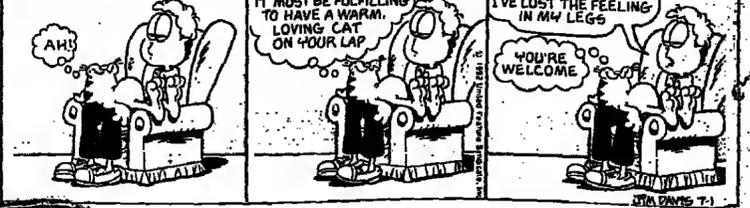
WIZARD OF ID



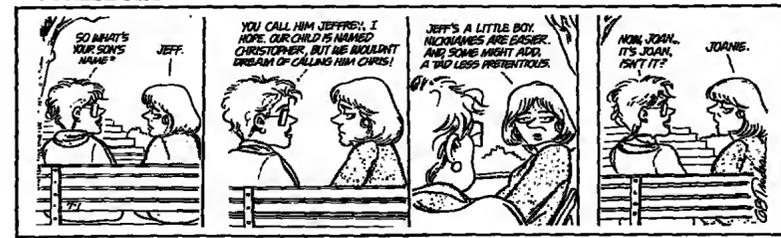
REX MORGAN



GARFIELD



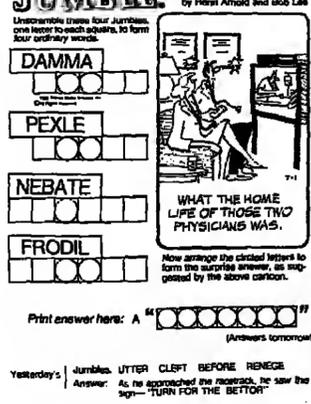
DOONESBURY



DENNIS THE MENACE



JUMBLE



BLONDIE



GRASH



IS THIS THE LADY WITH THE VERY CLOSE VEINS?

Yesterday's Answer: As he approached the network, he saw the sign — TURN FOR THE BETTER!

مکان من الأمل

سكان من الأهل

SPORTS TENNIS

Shaking His Doubts, Becker Is an Overnight Sensation

By Ian Thomsen
WIMBLEDON, England — Monday was supposed to be his day off. But Becker focused around on Monday...

Graf, Navratilova, Seles Advance

WIMBLEDON, England — Monica Seles, Martina Navratilova and Steffi Graf on Tuesday advanced to the semifinals with straight-set victories...

ceased. At 5:05 they were back on the court. The scoreboard was just as they left it, the grandstands just as full...



Wimbledon, which had enjoyed fine weather for the first week of play, experienced its first major rain stoppage on Tuesday; spectators huddled under umbrellas, waiting three hours for play to start.

ANC Appears To Hesitate on Olympic Pullout

The Associated Press
JOHANNESBURG — Sports officials expressed confidence Tuesday that South Africa would compete in the Olympics despite a threat by the ANC to get the nation banned again...

For African Soccer, A Bid Too Far?

LONDON — After Europe, the world. No sooner has Denmark carried off the Euro 92 ball than soccer politics come into play...

Albertville Games Ran Up Deficit of 280 Million FF

PARIS — Prime Minister Pierre Bérégovoy announced on Tuesday that the Albertville Winter Olympic Games lost 280 million francs (\$94 million)...

Book Spoils Olympics Chief's Hour of Triumph

By Alan Riding
LAUSANNE, Switzerland — As president of the International Olympic Committee, Juan Antonio Samaranch has every reason to be happy...

He has sued the authors for libel, but he also sees hidden hands behind the book. "It's full of interviews and lies," he said recently in an interview at the IOC headquarters...

"Without money, sports would grind to a halt in all countries," he said. "But we accept commercialization with conditions. For example, you won't see any billboards on any Olympic installation..."

SCOREBOARD

Table with baseball scores for Major League Standings, American League, and National League.

Table with tennis scores for Wimbledon, Men's Singles, and Women's Singles.

Table with basketball scores for Olympic Qualifying Games and Japanese Baseball.

Table with tennis scores for European Tournament, Group A, and Group B.

Table with basketball scores for American League, National League, and Pacific League.

Table with basketball scores for National League, Pacific League, and Transactions.

OUT OF THE LOOP?

AT&T USADirect® Service can get you back to the office from over 100 countries.

Table listing international phone numbers for various countries including Argentina, Australia, Austria, etc.

Advertisement for Rob Hughes, featuring a photo and text about his work in sports photography.

Advertisement for Olympic Accommodations, providing contact information for travel services.

Advertisement for AT&T USADirect, showing a globe and text about international calling services.

